DESPINA VLAMI

TRADING WITH *the* OTTOMANS

THE LEVANT COMPANY *in the* MIDDLE EAST



I.B.TAURIS

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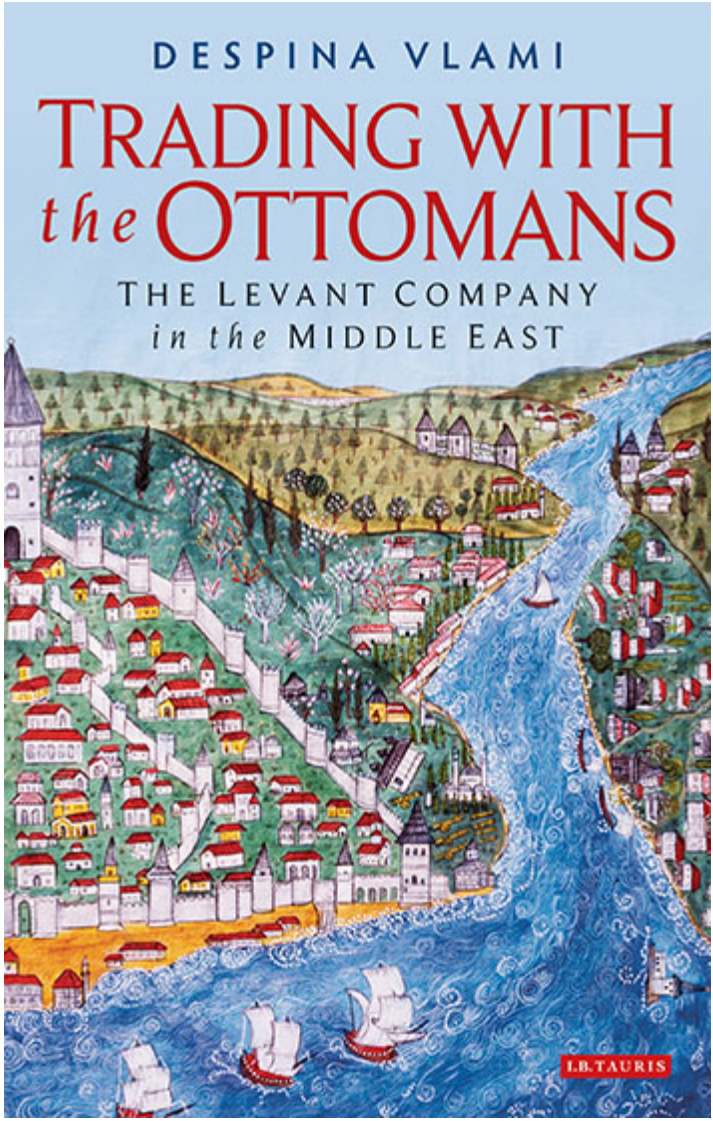
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Despina Vlami has a PhD in history and civilisation from the European University Institute in Florence. She is Senior Researcher at the Academy of Athens where she directs a research programme on trade and diplomacy in the eastern Mediterranean.

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The Levant Company in the Middle East

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To Stefania and Maria

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INTRODUCTION

The Levant Company was an English chartered company that traded in the Levant from the late sixteenth century to the 1820s. A chartered company was a type of corporation that evolved in sixteenth-century Europe and operated under a charter granted by a sovereign authority. The charter conferred to a group of traders, or a number of shareholders, a trading monopoly in a specific geographical area or for a specific type of trade. Chartered companies have been generally considered concurrent and instrumental to the growth of long-distance trade in the early-modern period. [1] The English, French and Dutch governments encouraged chartered companies to assist trade and promote overseas exploration, driving private resources to pursue foreign trade policies when treasury resources were limited.[2] Early trading companies founded in England under a royal charter were usually formed as joint-stock or regulated companies. In the first case, the organisation itself engaged in business, operating with the joint capital invested by members, each of whom shared in the profits and losses proportionally. This was the case of the Muscovy (1555–1746), East India (1600–1858), Hudson's Bay (1670) and Royal African (1672–1712) companies. In a regulated company – as was the case of the Levant Company and the Merchant Adventurers (founded in 1407) – each company member operated independently following his own strategy and using his own resources and capital. Members were nevertheless obliged under oath to comply with the company's regulations and pay taxes.[3]

The Levant Company, initially commonly known as the Turkey Company, was a corporation of English merchants who, under a royal charter granted by Elizabeth I in 1581, enjoyed the trading monopoly with the Ottoman Empire and, after 1592, Venice. The company's representative to the Ottoman Porte was given diplomatic authority as an ambassador. Subsequently, the company organised offices or 'factories' at strategic trading outposts in the eastern Mediterranean such as Aleppo, Smyrna, Patras, Cairo, Algiers, Larnaca and Salonica. Consuls, members of the company, were dispatched to defend the capitulation agreements – codifications of the privileges conferred on the English and other European merchants by the Ottoman Porte[4] – signed between England and the Ottoman Empire from 1580, to

enforce the company's ordinances throughout the Levant, to maintain law and order, to levy consulage on imports and exports and to adjudicate in disputes.[5] The company's London-based governing body represented the company before the English state authorities, while the ambassador and the consuls defended the property, business interests and personal security of English subjects before the Ottoman authorities. To support its administration, factories and employees financially, the company imposed taxes on English trade, levying consulage duties in London and the Levant; it was also partially financed by the English state.

Analytical interest in the early trading companies originated, in its first stages, from an awareness of their key role in the expansion of British overseas trade in the seventeenth century.[6] This interest triggered an in-depth study of the organisation and the operation of some of them, particularly those organised as joint-stock enterprises. The role of some of them in the colonisation of the New World and their recognition as some of the earliest and most important examples of global joint-stock businesses served to focus the attention of historians and produce very interesting case studies.[7] These studies provided valuable information and became important references for many other historians and researchers who studied the expansion of English shipping and trade from the seventeenth to the nineteenth centuries, the emergence of British commercial enterprise, and the life and the activity of British merchant entrepreneurs in foreign lands. Certain characteristics of these early trading companies – more precisely their joint-stock organisation, the way they conducted business to economise on a high number of recurrent transactions within distant and imperfect markets, and their innovative business administration – led to their comparison to modern business and ultimately to their integration into the evolution of the modern multinational enterprise.[8] The academic discussion stimulated by these approaches enriched the analysis of chartered companies providing, at the same time, interesting analytical and methodological tools that have been considered, utilised and sometimes criticised for projecting modern and contemporary models onto past phenomena.[9] In fact, despite their similarities, early chartered companies differed dramatically and every attempt to interpret their organisation and performance should first take into account the historical context within which each of them developed and operated. Another major weakness of the argument on the modern and multinational character of early trading companies is the fact that it has been based on clues referring mostly to joint-stock companies, excluding those chartered companies that were organised as regulated ones, most importantly the Levant Company.

The purpose of this book is to fill this analytical gap by positioning the Levant Company in the long process of the evolution of the modern commercial enterprise from the sixteenth to the nineteenth centuries. It follows the company's contribution to the development of modern corporate and individual business organisation and techniques during a period of transition that saw free trade ideology and practices outshine mercantilist theories and chartered monopoly trade. The book captures this long moment of transition by examining the Levant Company's organisation, strategy and performance in the last 30 years of its history. This period coincides with the period that Alfred C. Wood, author of an extensive account on the company's history, identified as the company's final act.[10] It starts with the outbreak of war against France in 1793 and closes with the abdication of the company's authority to the British state in 1825. This was a period of crisis and change, contemplation and maturity for the company and – in comparison to previous years – a period of profit augmentation. A series of wars and conflicts created conditions of permanent insecurity in transport and commercial trade, augmented the risk of engaging in international business and favoured speculation. The long Franco–British conflict throughout the French (1792–1802) and the Napoleonic wars (1803–15), the encounters of the Ottoman Empire with Russia (1806–12) and Persia (1821–3), the brief wars of Britain against Russia (1807–12), the Ottoman Empire (1807–9) and the United States (1812–14) and finally the Greek war of independence (1821–8) disrupted trade in the Mediterranean region through blockades, ship sequestrations, piracy and contraband activities. Successive crises put merchants under strain and required flexible strategies and innovative spirit. New trade routes were traced and new partnerships forged. Business became more risky and opportunities for quick profits increased. As a considerable part of the old guard of Levantine merchants went bankrupt by failing to follow the new pace and methods of transactions, a new wave of bold and efficient merchant entrepreneurs took their place, transforming the business environment with their new tactics and ethos. After 1815, the structure and techniques of commercial enterprise changed immensely.[11] Britain had emerged as one of the most powerful victors of the European wars, becoming a colonial empire and the major industrial country in Europe whose manufactured products were exported all over the globe.

The book investigates how the Levant Company and its members performed in these new conditions, and how its business identity, organisation and strategy were affected at a corporate and individual level; it also examines how this process was related to the evolution of commercial enterprises and practices and the persistent demands of a

considerable part of British society for the emancipation of British trade from the eighteenth century.

The first part of the book starts with an overview of the company's early institutional history. Chapter 1 reviews the company's main institutional attributes and their development until the late eighteenth century: the company's relation with the English Crown and government, its regulated organisation and its exclusive membership by wealthy London merchants. Chapter 2 describes its administration, structured as a multileveled hierarchy of power, and looks at the foundation and organisation of its factories in various ports and commercial centres of the Ottoman Empire. The company's bylaws, although not extensive and for this reason regularly revised, were important guidelines for the administration and members' activity. The company's official correspondence was an important managerial instrument and a powerful control mechanism, binding the whole company together and ensuring the dissemination of information between London and the Levant. In the last two sections of that chapter, the company's bylaws and its official correspondence are examined and assessed for their symbolic and operational consequences. The concluding chapter of the first part examines the company's reaction to the pressure of eighteenth-century liberal criticism and to the political, military and economic crisis of the period. The lifting of barriers on membership, a new distribution of power and authority in the Levant factories and the new economic conditions that rewarded flexible, bold and quick responses to business opportunities, affected the company's corporate identity and strategy, imposed the resolution of new compliant rules and efficient procedures, and boosted individualism among the company members. The company's bylaws had to be modified several times during this period to update procedures and consulage rates and regulate new business methods. More efficient, safe and quick methods for sending company correspondence were also contemplated. As the company's membership grew, social power and wealth still determined a member's position in the company's hierarchy and ensured him a circle of equally powerful and trusting ‘friends’ among the membership. Within a competitive business environment, social power, authority and powerful connections counted for much, as they were related and could lead to new business opportunities. Hence, official positions in the Levant were much sought after, especially when they were salaried; competition caused disputes and controversies and led to awkward situations resulting from overlapping authority, nepotism and the evasion of rules.

The second part of the book presents the company's operation as a

trading enterprise during the final 30 years of its history. It examines how the corporate and individual strategies of its members conformed to a new system of business transactions and a new organisation of international trade; how they sometimes combined to allow for more flexible and efficient enterprise, overcoming – even temporarily – monopoly impediments and constraints. Finally, it looks at how the company and its members reacted to the gradual reduction of their privileges as new business methods and trade routes developed and as newcomers were allowed engage in British trade; the arbitrary claims of the Ottoman authorities and the trade policies of the British government sometimes seriously affected the company's trade and necessitated the company's constant intervention. From the late eighteenth century until its dissolution, the company operated within a new system of Mediterranean trade and navigation: in Chapter 5 the trade routes and itineraries of this new system are described. The system evolved around a new operational centre – Malta – and extended to adjacent seas and continents, the Atlantic and United States to the West, the Black Sea and the southern Russian ports in the northeast, and the Balkan routes leading to the Habsburg Empire, the Adriatic and the Ionian seas. A variety of newcomers – British, Maltese, American, Russian, Greek, German and Italian – participated in this interwoven fabric of commercial transactions. While most of them operated independently, sometimes they engaged in collaboration with Levant Company members. The suspension of the British navigation acts in the late eighteenth century, and a series of corresponding changes in the company's regulations, created a breach in the company's monopoly that marked the beginning of a long process through which Ottoman subjects trading in the Levant permeated the structures of British trade. Greeks, Armenians and Jews collaborated with the British merchants until they eventually structured their individual careers and competed with the company's members. Chapter 6 shows how this long partnership, through a series of complications and predicaments, supported British trade when necessary but became a kind of Trojan horse as the company saw its monopoly rights eventually encroached on by its protégés. A number of incidents presented in the last section of Chapter 6 offer a close-up and fascinating view of the complex, and sometimes inconclusive and risky, aspects of the British–Ottoman partnership and transactions. The impositions charged in London and in the Levant on the goods traded by company members influenced their profits, thus determining business choices, strategy and partnerships. Chapter 7 presents how during this period the Ottoman and British authorities manipulated tariff policies on British trade in the Levant and how the company strove to protect its income and its members' profits. The

persistent demands of Ottoman governors and customs officers for the payment of higher and special tax duties on imports of British manufactured goods and exports of Ottoman products triggered corporate solidarity and brought the company's administration up against the Ottoman authorities. The company's negotiation with the British government, whenever tariff and navigation policies threatened its members' interests, was an equally delicate procedure that often led to the company's compromise with political expediencies. After 1815, the British government policies on foreign trade and navigation were often prejudicial for the company's status, income and privileges; the Foreign Office and the Board of Trade gradually encroached on its authority, leading to its final dissolution in 1825.

In part three, attention shifts first to the individual entrepreneurial form and tactics adopted by the British merchants trading under the operational umbrella of the Levant Company from the late eighteenth century until its dissolution. In Chapter 8 the form and the structure of their enterprises comprising contacts from different operational and geographical areas is discussed. The strategy adopted by the British merchants during this transitional period is also addressed in Chapter 9, as new collaborations, business methods and transactions emerged offering opportunities to economise and achieve bigger profits within different business environments. Chapter 10 presents some individual cases of British merchants trading in the Levant during the period investigated.

In part four, aspects of the everyday life and sociability of a British merchant and member of the Levant Company are addressed through an investigation of his domestic environment. This section shows how life was closely connected with business activity and how relations of interdependence developing within local markets and cosmopolitan societies connected a variety of people, European and Ottomans, and brought them into contact with different cultures and everyday practices. For Bartholomew Edward Abbott, whose case is presented in this part of the book, this system of interaction functioned simultaneously with the one developed within the institutional and contractual environment of the Levant Company. Abbott, like many other company members, moved comfortably in both these systems, acquiring overlapping and sometimes contradictory identities, as he participated in a power game for status, profit and connections. His everyday life, habits and sociability, as depicted in his domestic environment and apparel, reflected these realities.

For the purpose of this study, the company is considered both as an institution and as a system of interacting entrepreneurs engaged in a

variety of contractual and individual, intra- and extra-company relations. The book traces first the company's institutional and structural attributes and their development over time, before reviewing its operation as an international trading enterprise, putting the emphasis on its contractual and operational quality. Finally, it looks into the individual activity and life of the company members and their agents (factors), who were bound to a corporate organisation by oath and membership, obliged to follow specific rules and protect the company's monopoly privileges as they pursued their own business interests. The primary material utilised in this three-levelled approach has mostly been the Levant Company's official correspondence exchanged between its administration and employees, political authorities in Britain and the Ottoman Empire, officers in the Levant and members in Britain and abroad. The material consists of letter-books and letters, minutes, memorials, reports, manifests and treasury accounts. The material is part of the records of the Levant Company that were inherited by the Foreign Office after the company's dissolution in 1825 and are now kept in the National Archives of the United Kingdom (Kew). The systematic character of the company's correspondence allows us to follow discussions and projects as they were materialised, events as they happened, and the settling of affairs and disputes until their final resolution. Being official, administrative and operational at the same time, the correspondence also facilitates an in-depth study of the company's quality as a political/diplomatic authority representing Britain in the Ottoman Empire. It therefore depicts the ways in which war, international relations and economic developments affected foreign and trade relations between Britain and the Ottoman Empire during a turbulent period. It also documents the tumultuous rapport between the company and its political principals, the British Crown and the government. The highly descriptive and very often personal character of the letters exchanged brings to the surface not only the political and economic views of the corresponding parties, but also the personalities of Levant Company officials, British politicians and government members, and wealthy and socially distinguished British merchants. This represents another important aspect of the book as the historical context, as well as the social and economic developments and realities, are presented through the eyes of contemporaries, among them well-known personalities of the British political and economic establishment. Occasionally, the book also reveals instances from the life of individuals that played a secondary role in the company's history but who nevertheless left their fascinating imprint in its correspondence: the widows, children and agents of British merchants, their foreign partners, British and native

employees in the factories, travellers, Ottoman officials and members of the local communities in the various outposts of British trade in the Levant.

I have chosen to retain the names of the places and individuals as they appeared in the company's correspondence. Therefore, Istanbul is referred to as Constantinople, Izmir as Smyrna, Edirne as Adrianople and so on. Given that the spelling of personal names could vary depending on the orthographical conventions followed by correspondents, I had to decide on one version to appear throughout the book. In all cases, I have sought to use the one that was most likely to be the original.

PART I

FOUNDATION – ORGANISATION – DISSOLUTION

CHAPTER 1

THE FOUNDATION OF A CHARTERED COMPANY

‘Under the Favour and Protection’ of the State

In 1575 Edward Osborne and Richard Staper, distinguished members of London's merchant community, sent their agents to Constantinople to explore the possibility of establishing commercial relations with the Ottoman Empire. The representatives of the two merchants obtained permission to reside and the commitment of the Ottoman authorities to allow and protect English trade within their dominion.[1] A few years later, in 1580, the concessions granted to the English merchants were confirmed in an official document signed by Queen Elizabeth I and Sultan Murad III. The document, known as the ‘capitulations’,[2] comprised 22 articles outlining the privileged status, rights and obligations of the English who would operate within the Ottoman Empire.[3] Within a year, a group of 12 London wholesale merchants received from the Queen the exclusive right to trade in the Ottoman Empire for seven years: this was the nucleus of a chartered trading company named the Company of English Merchants trading into the Levant Seas or, simply, the Levant Company.[4]

In its early days, the company was organised as a joint-stock corporation and even Queen Elizabeth is known to have contributed £40,000 to the stock. At the same time, it was entrusted with representing England at the Ottoman court.[5] In 1581 William Harborne, a company member and distinguished merchant, was appointed by the Queen as ‘our true and undoubted orator, messenger, deputie and agent’ in the Ottoman Empire.[6] Harborne took up residence in Constantinople and was soon delegated to organise the company's representation in the Middle East and North Africa.[7] Harvey Millers was appointed British consul in Cairo, Alexandria and other areas in Egypt, Richard Forster in Aleppo, Damascus, Amman,

Tripoli, Jerusalem and other areas in Syria and Palestine, and John Tipton in Algiers, Tunis and Tripoli.[8] When the company's charter lapsed in 1588, it was not renewed for a couple of years amid arguments about the company's accessibility to new members and the geographical extent of its jurisdiction. This tension was not unrelated with the granting, during this period, to another body of merchants an exclusive license to trade in Venice and its dominions. The establishment of a 'Venice Company' caused reactions and fuelled antagonism. The Levant Company was accused of placing severe restrictions on membership and impeding the participation in the Levantine trade of merchants who were willing to invest in it. Proposals were also made by members and non-members for an extension of the company's jurisdiction to encompass Venice and its territories, which it considered an essential part of the Levant.[9]

When a new charter was finally issued in 1592, those who supported the opening of the company to a wider circle of merchants were vindicated, as membership grew to 53 persons and with space for 20 more. In addition, the new charter merged the 'Turkey' and the 'Venice' companies into one. The new company was granted the privilege of trading for 12 years in the dominions of the Ottoman Empire and Venice 'and also by land into the dominions of the Grand Signor into and from East India'.[10] When the 12 years passed, the company was granted the right to operate exclusively in the Levant forever and turned from a joint-stock to a regulated corporation. A new charter issued in 1605 pronounced that the company was 'not to appropriate the trade to any limited number of merchants, nor to any one city, nor to suffer the same to be used in any degree of monopoly, but to lay open the same to all'.[11]

This new, more liberal approach towards the company's rights and rules was the outcome of a long political and social debate on the freedom and methods of trade that led to the passing of a new free trade law during the same period.[12] And yet, despite the liberal intentions of its architects, the 1605 charter imposed conditions on membership that annulled in practice any attempt to make the company more accessible to the merchant community: membership was opened up to 'mere merchants' – but not retailers – through patrimony or apprenticeship or by paying a considerable admission fee.[13]

The 1661 charter, signed by King Charles II, permanently settled all the issues concerning the company's jurisdiction, organisation and membership and remained in force until the company's dissolution in 1825.[14] It endorsed the company's organisation as a regulated corporation (each member could trade individually as long as he

complied with the company's rules), its exclusive membership and international reach. It also confirmed the company's special relation with the English state authorities.

The charters, conferred to the merchants directly by the English Crown, were the documents that all at once recorded, described and sanctioned the company's special privileges and status; they thus remained a highly controversial issue, giving rise to arguments and protests until the company's dissolution. Entrusting England's foreign trade in a vast area of great economic and geopolitical importance to a group of wealthy, socially well-connected and powerful merchants had ideological and practical motives, both political and economic. It was also a political and economic manoeuvre bound to provoke severe and conflicting reactions.

For the state authorities and part of society in England, the company was the only way to organise, finance and coordinate commercial enterprise in a vast, unknown and unpredictable country. The mercantilist economic theory of the Elizabethan era advocated national economic self-sufficiency and was inclined towards practices that supported economic nationalism. The exploitation of national resources promoted national security and influence within an antagonistic international arena. Foreign trade was for England a national resource of the utmost value that could contribute to national strength and wealth if it followed state regulations detailing specific standards: the realisation of a favourable balance of trade, with exports exceeding imports, was considered the benchmark of a successful foreign trade policy.[15] Of equal importance was the organisation of trade according to the principal of ‘order and government’, an ideal that dated from medieval times when economic activities were structured on a corporate basis.[16]

The granting of exclusive rights to chartered companies of merchants to operate worldwide was in tune with these ideas. A chartered company promoted ‘well-ordered and ruled trade’, under the state's supervision, in contrast to the ‘loose, distracted and disorderly trade’ of ‘struggling and unskillful’ merchants who observed ‘no rule’ in the sale of their commodities.[17] This ideal influenced economic policies on foreign trade throughout the sixteenth and the seventeenth centuries. The organisation of commerce was based on some basic principles concerning the mercantile profession, prices and production policy. The intention was that foreign trade should be in the hands of knowledgeable, trained and experienced persons, commodity prices should be kept high and production controlled, while quality standards should be maintained.[18] All these standards could be attained effectively by chartered trade companies, at least

seven of which were representing English commercial interests abroad by the end of the seventeenth century: the Merchant Adventurers, Eastland Company, Muscovy Company, Levant Company, East India Company, Hudson's Bay Company and African Company.[19]

Commercial expansion in the Levant in the sixteenth century was also in response to political and economic concerns. The formation of the Levant Company was also interpreted as a political manoeuvre on the part of the Queen to establish an alliance with the Ottoman Empire against Spain, a long-standing rival.[20] Throughout its existence, the company remained a powerful political and diplomatic instrument in the Levant; it represented the nation to the Ottoman authorities, protected the capitulation agreements, bore the expense and the responsibility of organising and maintaining an embassy, consulates and vice-consulates. Another important reason for its creation was a growing awareness among state officers and the merchant community that if England was to preserve its economic independence, new channels of direct commercial intercourse with the East would be necessary. By that time, England relied on Spanish and Portuguese trade networks to supply its markets with Eastern goods while the Dutch, Venetian and French had already established trading relations with the Ottomans.[21] The London wholesale merchants had the means, energy and drive to finance and organise the establishment of new trade routes and networks that would permit the development of direct trade between England and the Levant.[22]

The company's privileged status and extensive powers were given an additional interpretation in 1825 by Robert Walsh, onetime chaplain to the Constantinople embassy, who argued that the peculiarities of the Levantine trade necessitated the foundation of a chartered company.[23] ‘The Turkish Government being essentially different from any other in Europe, perfectly despotic in its nature, and approached only like that of all Oriental people, ancient and modern, through the medium of presents and particular influence, no intercourse can be carried on with the natives, with any security with the Franks, unless under certain regulations called Capitulations, agreed upon by the respective courts.’[24] Walsh maintained that an ambassador and consuls were necessary to oversee the implementation of the capitulations; it had been government policy to ‘throw the whole weight of paying those officers and establishments on the Levant Company’. It was therefore reasonable ‘to confer on them the appointment and management of those whom they had to support; and it is clear that this power would be nugatory, unless the British subjects resident in Turkey were made amenable, in a certain degree, to their authority’. This was, according to Walsh, the

underlying principle of the company's charter, which restricted the Levant trade to its members and allowed it to regulate trade, levy duties on British trade, and have the ultimate authority over British subjects on Ottoman soil. Walsh insisted that the company was not a monopoly. Returning to the sixteenth-century ideal of well-governed and regulated trade, he argued that the company's activity was 'merely a trade, under certain regulations for its better management'.[25] Walsh's arguments represented the company's official line of defence against those who accused it of serving the personal interests of the few; of being an economic elite of socially distinguished London wholesale merchants who were closely connected with the Crown and the political establishment of the day.

The charters were the footing upon which lay the company's close connection with the Crown and the government. Since its beginnings, the Company of Merchants trading in the Levant Seas had a special relation with the state authorities: the Crown that had granted it a charter, the government and the parliament that oversaw and monitored its strategy and performance. Even though it was an association of merchants, the company was entrusted with the representation of the state to the Ottoman authorities, and its officers in the Levant operated both as company representatives advancing the business interests of its members (freemen) and as diplomats performing a variety of political, economic and bureaucratic duties. The authority vested in it by the Crown and the government enhanced the company's activity on Ottoman soil with a 'national' quality that validated its resolutions, practices and transactions and empowered its officials to administrate and protect the local English communities, negotiate with local authorities and government officials, and protest when the interests of England and its subjects were at stake. Both Levant Company officials and members were recognised by the Ottoman state as enjoying diplomatic and other immunities agreed bilaterally in the capitulations.[26]

The company was bound to respect English foreign and commercial policies, the laws of the state, international and bilateral agreements and treaties. Its governors communicated with the Privy Council,[27] the government and its committees on issues of common interest. The company was often invited by state officials to take a position in political debates that concerned it directly or indirectly: trade, navigation, transport, commerce and manufacture. It was also informed about crucial international events, wars and bilateral agreements affecting the areas under its jurisdiction. When its own financial resources were low, the company received occasional government subsidies.[28] This money was usually spent on salaries, the

rent of the embassy and consulates and representation expenses. The 1661 charter specified various other forms of assistance that the company received from state officials and public officers. According to these provisions, the state bureaucracy, special committees and public officers were directed to take any action in order to protect the company whenever necessary. The lord treasurer of England, chancellor and barons of the exchequer 'should direct a writ under the seal of that court to any customer […] commanding them not to take entry of any goods to be carried into the Places aforesaid […] or make any agreement for the same goods but only of such as should be free of the Company'.[29] Admirals, vice-admirals, justices, majors, sheriffs, constables, and bailiffs should also 'aid, favour, help and assist the governor, the Company and its officers and agents to execute and enjoy their premises by land and sea, execute all ordinances and punish offenders'.[30]

The entanglement of the Crown and the government in the company's affairs was multifaceted and responded to political and economic expediencies. It also varied according to the priorities and tactics of the Crown and the government at different periods. Sometimes the State took a more pronounced role in the administration and the decision-making of the company, a circumstance that usually agitated the merchant community.[31] The close relation of some of the company's governors with the political establishment and the fact that some of them had previously held a distinguished government position provided the State with an effective means of getting inside information from the company and interfering with its affairs.[32] In fact, two of the longest-serving British foreign ministers, Francis Osborne, 5th duke of Leeds, and William Lord Grenville served for many years as governors of the company.[33] One area in which the Crown had a direct role since the company's earliest days was the selection of the English ambassador to the Porte. From 1691, the royal court prepared a list of candidates which was presented to the company's administration for an initial assessment. The monarch had the final say and the new ambassador was presented to the company and its members. He was then admitted to the company as a freeman/member and took his mandate from the company's general court.[34] The ambassador was hired as a company employee to oversee and protect the company's interests; he was also the main vehicle of English sovereignty on Ottoman soil. His two-fold duties sometimes became a source of friction between the company and state officials.[35] The political background and connections of the ambassadors were sometimes viewed with suspicion and distrust by members (freemen) and their agents in the Levant (factors), who considered their intervention in their life and activity arbitrary. At the

same time, some ambassadors felt uncomfortable in their role as representatives of a trading company and were much more committed to their political and diplomatic duties. In periods of international crisis, war and diplomatic turmoil, diplomatic responsibilities weighed heavily on an ambassador's agenda, taking priority over other undertakings relating to commercial and trading activities. The fact that the company did not step back from its priorities in order to allow the ambassador to give precedence to political and diplomatic affairs agitated some government officials.[36]

The Crown and the government supported the company's status and privileges against accusations levelled against it. For a part of society, supported by liberal intellectuals and politicians, the company was nothing more than a defective product of the prevailing mercantilist ideology; a monopoly set up to serve the interests of an economic elite of socially distinguished London wholesale merchants who were closely connected with the political establishment of each period.[37] The fact that the company retained its privileges and survived through a war of pamphlets in the eighteenth century, a coordinated attempt to undermine its tactics and expose its outdated mechanisms and poor performance, confirmed the company's strong support from the Crown, politicians and another part of society advocating the traditional values of protectionist economic policies. In response to mounting criticisms of it from the mid-eighteenth century, the company highlighted the strategic convenience of its operations which it said had protected English trade and English merchants as a body against foreign competitors, political rivals and interlopers.[38] The company undertook ‘negotiations for the good of the whole body, and engaging to, and with the Grand Seignior, in such and such conditions as are most needful for the mutual safety of the whole’.[39] It also safeguarded trade from those merchants who acted as interlopers and sacrificed the interests of English trade and manufacture for their own profit and advantage. In 1720, in a pamphlet published by ‘a Merchant’ vindicating the ‘Turkey Merchants and their Trade’ against accusations that they ran a monopoly, the company defended itself by arguing that this odious word could not be used to label ‘Men, who, as Merchants, and as honest Men’ traded ‘fair and above-board under the Favour and Protection of a government that abhors monopolizing’.[40] State officials were generally very cautious and restrained when dealing with the company's administration, giving priority to the national interest by considering the effects of any changes on international relations and national economy. There were, however, occasions when the Board of Trade, government and parliament strongly and openly disapproved of specific company bylaws and resolutions. In 1694 the company's definition of a ‘mere merchant’ in

one of its bylaws ('none ought to be looked upon or esteemed as mere merchants, but such only as have been so educated from the beginning; or who, which been of another trade, have forborne the same and followed the trade of a merchant only for seven years') was condemned by the House of Commons as too narrow.[41] On another occasion, in 1790, the parliament accused the company of thoughtless and reckless actions when it increased the duties on raw cotton considerably. This decision of the general court was bound to hamper imports, hike retail prices and damage the cloth-manufacturing industry.[42] For the company's opponents, this was a crucial moment in that they perceived it as potentially leading to its dissolution.

Against all expectations, this did not happen and the company operated for another 30 years during which it collaborated closely with British state officials. However, its control of the Levantine trade through restrictive policies, exclusive rights and the imposition of high taxes and duties on British merchants continued to generate severe reactions from the eighteenth into the early nineteenth centuries. Industrial growth in Britain and the rising power of the State rendered the granting of monopoly privileges to private institutions completely unnecessary.[43] The design and the implementation of a national trade policy could now be entrusted to public institutions. Gradually, state officials and part of the political establishment withdrew their support and highlighted the advantages of delegating the company's power to the State.

A Regulated Corporation

Initially, the Levant Company operated on a joint-stock basis before becoming a regulated corporation, although the exact time of this change is not clear.[44] It is likely that for a number of years the two systems alternated until the 1590s, when the question was posed on whether the company should operate as a joint-stock or a regulated corporation. William Harborne was a fervent supporter of the joint-stock system, maintaining that a regulated company, with each merchant trading individually and dealing 'at his pleasure' with his own capital and strategy, would bring only confusion and disorder.[45] His views were shared by a powerful group of members and administrators who eventually succeeded in sidestepping the regulated option. And yet, although the 1592 charter did not alter the company's organisation on a joint-stock basis, in some areas in the Levant, Aleppo in particular, many company members traded as individual firms, represented by factors.[46] In 1605 the company became a regulated corporation, but as had happened in the past, the

two systems alternated for a period of time according to circumstances. Temporary reversions to joint-stock status happened every time the individual strategies of members augmented supplies and lowered prices.[47]

A different system of organisation was adopted to monitor and coordinate English trade in the Morea (Peloponnese). For some years in the first half of the seventeenth century, the valuable currant trade was controlled by a company member. Then from 1647, a joint-stock company undertook all English trade operations with the Morea and the Ionian Islands of Cheffalonia (Kefalonia) and Zante (Zakynthos). In this new enterprise, the company's members acted as shareholders and received their dividends in cash. Initially, the company's contract was renewed every three years and, from 1657, every three or five years.[48] Towards the end of the seventeenth century the joint-stock company dissolved, although its consulate in Patras operated until 1825. It is not clear why the Levant merchants chose to single out the Morean trade for the organisation of a separate joint-stock company; however, there are some possible reasons. For one, the valuable currant trade with western Greece was traditionally carried out by many independent English merchants operating outside the company's jurisdiction. Participation in the joint-stock company was free and this type of organisation allowed the English traders to take a more focused and coordinated approach when competing with Venetian merchants, who traditionally monopolised the currant trade in the area.[49]

By the time the Levant Company was organised on a regulated basis, other chartered companies, such as the Merchant Adventurers and the Eastland companies, had also opted for the same system of organisation.[50] In contrast to this, the East India, Hudson's Bay and African companies were organised as joint stocks.[51] The regulated system was presented by its many advocates as the ideal form of free trade association, open to all merchants who traded for their own account, contributing proportionally to the company's expenses and offering a great service to the nation. In contrast to those trading companies organised as joint stocks and being ‘really and bona fide exclusive monopolies’, this model of organisation was founded, according to its advocates, ‘on the inestimable liberty of trade’.[52] The criticisms levelled against it were more appropriate for the joint-stock East India and African companies, where ‘no Man having then any Share in the Trade but as he shared of the Stock, and the whole being carried on by the Directors …; in that case some of the Charge of a Monopoly might have lain against them’.[53] A section of the merchant community was openly hostile to the prevalence of the regulated over

the joint-stock system. The Levant Company, as a typical example of a regulated corporation, was snubbed because it was considered a backward and inefficient monopoly mechanism hindering business expansion and serving the personal interests of the few. In 1696, the members of the East India Company emphatically rejected the idea of becoming a regulated corporation, using the Levant Company as a negative paradigm to discourage the authorities. As they maintained, such an organisation did not further business expansion and allow its members to give priority to their personal strategy and profit. The members of the Levant Company preferred to confine their business dealings to specific safe locations – important commercial centres of the Ottoman Empire and with well-known merchants – instead of taking risks and exploring new destinations and sending merchandise to be sold in unknown distant markets.[54]

Beyond the general criticisms that were often motivated by personal attitudes and interests, each system was organised along complex organisational parameters with its strategy developed and performed inside a distinctive foreign socioeconomic environment. As a regulated corporation, the Levant Company came to operate at three different levels – institutional, contractual and individual.[55] As a corporate institution – a 'Fellowship', a 'Body Corporate and Politick', a 'Society'[56] – it had its own organisation, rules and procedures. At the same time, the company was a body of individuals bound by a variety of contractual relations. At a third level, each one of its members advanced his distinct career, utilising private resources and adopting personal strategies. Business developed autonomously once regulations were observed. The company's members or freemen operated with their own capital resources, choosing partners, business organisation and strategy. They were, however, obliged under oath to operate in accordance with the company's orders and bylaws and adhere to their commitment to advance duties and taxes calculated on the value of their personal trade. Partnerships with foreigners were prohibited and there were precise rules concerning transactions and the employment of ships to carry their merchandise. The company taxed English trade in the Levant, charging consular duties on members, non-members and foreigners. The freemen in London paid a rate of 2 per cent on the value of their transactions in the Levant (both imports and exports). Their factors in the Levant paid another 2 per cent on the value of imported and exported commodities.[57] The duty rates imposed on non-members and foreigners differed according to the occasion. Generally rates did not remain fixed but ranged according to the needs of the company and market conditions.[58] Members could always evade the company's policies and rules and, as a consequence, pay penalties and fines. The company oversaw all

English enterprise in the Levant. It therefore collected duties and imposed penalties and fines on independent English traders and interlopers who could practically validate their activity by advancing to the company a broke of 20 per cent on the value of their transactions. This imposition confirmed the company's jurisdiction and generated important income for its coffers. Over time, however, it had another unexpected effect: it gave its members an alibi to deviate from the various restrictions and rules in order to plan a complex and independent personal business strategy without jeopardising their privileges and rights. The only penalty they faced for each transgression was a broke or fine to the company. It would seem that the company's regulatory mechanisms encompassed methods that could permeate and overwhelm the mechanisms under certain circumstances, act as safety valves when pressure built up, and offer ways out of crises: although unreasonably high and therefore an extremely heavy burden on a merchant's income, the 20 per cent broke and other fines and penalties could act as such a valve and ensure free trade.

The simultaneous and coordinated operation of these three levels influenced management, organisation, strategy and performance. It gave the company its distinctive multilayered corporate identity, determined a member's relation with the rest of the membership as well as the administration, and his intra- and extra-company relations and methods. Another major consequence of this type of organisation was that it allowed the company to include within its operations members of other foreign maritime and merchant communities, thus helping it expand its influence, extend its activities and collect important revenues.[59] By setting up a mechanism that granted English protection patents and trading licenses, the company brought under its operational umbrella Ottoman and other foreign merchants, agents, commissioners and commanders of merchant ships in order to trade under English protection. Protection patents were sanctioned and confirmed by *berats*, Ottoman deeds of appointment for consuls and vice consuls, interpreters and protégés of the European merchant communities.[60] Protection was bought at high fees, while all foreigners had the ‘foreigners’ duty' imposed on them, a very important source of capital that in periods of low budgets tended to rise in order to cover some of the company's expenses.[61] More than providing cash and augmenting its influence in the Levant, the granting of protection patents and licenses to trade made the company more flexible and accommodating as it allowed it to open up to foreign trade operators and circumvent whenever necessary one of its fundamental monopoly regulations impeding the collaboration and partnership of members and factors with non-members and foreigners.

The kind of association possible through this system gradually revealed a large spectrum of collaboration possibilities and opportunities that, in periods of crisis, were carefully considered by the administration and the members, who made the most of them.

Membership Profile

One of the most controversial and criticised aspects of the Levant Company was its exclusive character that derived from its close connection with the city of London and maintained by membership regulations.[62] In the sixteenth and seventeenth centuries, London was the seat of all the chartered trade companies of the time, in which about four-fifths of England's foreign trade was concentrated. It was the market for the entire kingdom and the political, bureaucratic and financial centre of the country.[63] In the city's warehouses, a variety of commodities, arriving from all over the country and abroad, were accumulated, giving merchants the possibility to freight ships with assorted cargoes for different destinations.[64] This was one of the great advantages of London port over the outports. The Levant Company's headquarters were located in the capital and its members were London merchants closely connected with the city's political and economic establishment. Until 1753, citizenship of London was a prerequisite for membership, while provincial ports and outports opened to the Levant trade from the mid-eighteenth century.[65]

Together with the rest of the trading companies of the period, the Levant Company was severely criticised for contributing to an unequal distribution of wealth among London and the provinces, by monopolising all Levantine trade for the benefit of its rich and powerful members.[66] From the eighteenth century in particular, manufacturers, merchants and other representatives of provincial economic life accused the London merchants of exploiting their resources and depriving them of their income. Producers of various commodities, clothiers in particular, complained persistently against the economic centralisation imposed on them.[67] Required to send their products to London in order to sell them to the company, the burden they bore for the transport costs weighed heavily on their prices, making their products uncompetitive for the Ottoman market. The cost of lading and provisioning was also much higher in London than other ports and the same applied to the labour and custom taxes advanced by the consignors of cargoes. Numerous petitions were presented to parliament on the injurious effects of the company's monopoly on industry and trade.[68] Despite measures taken by the state authorities and adjustments to the company's regulations,

however, the situation did not change. Even after the opening up of membership in 1753 and the lifting of barriers on the arrival of merchant ships from the Levant to other British ports, London continued to monopolise the Levantine trade.[69]

The company's exclusive connection with a group of wealthy and powerful London wholesale merchants was preserved and reproduced by the membership provisions in the company's charters. As was the case with the Merchant Adventurers, admission to the company was obtained through the payment of a considerable fee.[70] In the 1590s, the price of this fee – £150 sterling – gave access to socially distinguished and wealthy London merchants. Subsequent charters imposed a number of restrictions on membership, confirming the company's exclusive identity and endorsing London as the centre of English entrepreneurial activity towards the Levant.[71] In 1661, the regulations were finalised.[72] To become a member, an individual should be a 'mere merchant' and not a retailer. He had to pay a considerably reduced price of £25 (£50 if he applied after the Feast of the Annunciation, of Lady Day, on 25 March) but had to be a London citizen, or reside within a radius of 20 miles from the city centre.[73] An exception was made for noblemen and gentlemen, who could be admitted to the company without being citizens of London. Sons and apprentices of members were also allowed join on favourable conditions: sons on the sole condition of payment of a mere 20 shillings and apprentices following three years' employment abroad and upon payment of a trifle sum. An apprenticeship was therefore a very important backdoor to membership for young aspiring merchants with no direct connection to company members. Apprenticeship in the Levant allowed the young merchants to combine training with employment as factors, and at some point they could engage in individual trade, making considerable gains. For this reason Levantine merchants charged heavy premiums for a period of apprenticeship in their firm.[74] Given the necessary personal connections required and the high investment costs, it is not surprising that the majority of the young men sent to the Levant were sons, nephews or family relatives of wealthy merchants, gentlemen or the nobility.[75]

The company's exclusive character was reflected in the hierarchy of distinction and means maintained in the order of the members enlisted in the charters. This internal hierarchy determined whom to entrust with administration duties. In the preamble of the 1661 charter, a total of 117 members were enlisted, with eight knights (Sirs Thomas Lowe, John Spencer, Thomas Smith, Stephen Soams, Robert Lee, Leonard Holliday, William Rumney and John Fearne) figuring prominently at the top of the list, followed by one citizen and

alderman of London (John Jowles) and an esquire (William Harborne).[76] The rest of the list comprised members of wealthy and powerful London-based merchant families. According to the charter's provisions, the top positions in the company's administration should be filled by prominent individuals who would be London citizens ('the best and the discreetest Persons of the said Company resident and remaining within the said City of London or the Liberties thereof'). Governors and deputy governors ('abiding and dwelling within the said City of London') were usually illustrious members approved by the Crown and the government. Many of them were, or had been at some stage in their life, state officials and members of the government or had occupied positions in the London offices of the Bank of England, the London Assurance Company, or the South Sea, Muscovy and East India companies.[77] There were also instances where the company's governor, deputy governor and administration were, at the same time, administrators in the East India or Muscovy companies. This social and professional mingling bound the London merchants together in relations of collaboration and interdependence, a partnership often identified as 'friendship'. This interesting notion of 'friendship', which in particular developed from the eighteenth century onwards, embodied and idealised a type of social and economic interaction that was based on mutual respect and trust and connected merchants who were not necessarily social equals.[78] In the case of the Levant Company, its members established bonds of 'friendship' through business dealings, partnerships, and social activities, often reinforced by marriage and other family connections. 'Friendship' operated both vertically and horizontally; groups of 'friends' – administrators, officers, members and factors – exchanged favours, information, recommendations and credit.[79]

In 1753, the membership rules were relaxed, when the restrictions on retailers and non-London citizens were lifted.[80] According to the new regulation, any English merchant paying a fee of £20 sterling could become a member. For the first time in its history, English subjects of Jewish origin could also apply. The justification for their long exclusion stemmed from the fear that if they became members, they would monopolise all commercial transactions in collaboration with Levantine Jews operating in the Ottoman Empire. This suspicion remained and the new regulation stated clearly that Jewish members were not permitted to hire coreligionists as their Levant agents. The modification of the membership rules did not alter the socioeconomic profile of the company significantly, although there was a flood of new members from 1753. In the 40 years from 1754–94, there were 352 enrolments, which was two and a half times the number (140) of new members in the preceding 44 years (from 1710–54).[81] By 1794,

the company had approximately 400 members, most of whom were concentrated in the London area. The richest and most powerful London merchant families remained in control of its administration.[82]

CHAPTER 2

A ‘BODY CORPORATE AND POLITICK’: THE LEVANT COMPANY'S ORGANISATION

Administration

In the sixteenth century, England's foreign trade had already acquired a worldwide character. The country's international commercial transactions were entrusted to chartered companies and an increasing number of wholesale merchants were engaged in foreign trade. The country's system of credit and foreign exchange assisted foreign trade transactions productively, contributing to the establishment of a modern business environment.[1] Within this business environment, the Levant Company developed into a distinctive type of regulated chartered trading corporation organised to conduct business at an international level. Since its first days, the company had a centralised management and operated over a vast area. Its bylaws introduced operational standards, common processes and practices. An extended communication mechanism disseminated institutional and private information.

The company's organisation and administration were described and finalised in the 1661 charter, which remained in force until the company's dissolution.[2] The governor, at the top of the company's hierarchy, could be a gentleman or a nobleman but usually he was a distinguished member of London's merchant community with political and economic connections. His deputy, chosen from among the most notable members, was entrusted with the governor's office in his absence. Another 18 members were nominated assistants and their duty was to support the governor ‘for all business of the Company’.[3] A husband managed the everyday administration of the company's affairs and maintained its papers, seals and bonds; a treasurer and a

bookkeeper were responsible for bureaucratic and financial affairs.

The administration of the company was elected by the annual general assembly of its members, held in London during the first fortnight of February. Any member who had paid at least 40 shillings in levies in one year had the right to vote. The administration and the general assembly formed the general court, which met regularly and had extensive executive, legislative and judicial authority. The range of issues brought before the general court for discussion and resolution was broad.[4] The court drafted, ratified and published regulations and orders and decided the rates of taxes and duties for the Levantine trade. It set the dates of departure of vessels hired to carry goods to the Levant. It nominated and dismissed consuls, vice-consuls and other officers. It levied fines and penalties on all those who did not adhere to their obligations, evaded rules and taxes and violated the company's monopoly.[5]

The general court prepared and coordinated the company's response to criticism and political machinations. It prepared and presented proposals to the Board of Trade, government and parliament and lobbied against policies that jeopardised its rights and privileges. Before each general court, a permanent committee, comprising the deputy governor, husband, treasurer and assistants, reviewed the day's agenda and made suggestions on various issues. Other ad hoc committees were formed by the company and entrusted with specific tasks. The officers appointed to the Levant – ambassador, consuls, vice-consuls, treasurers and chancellors – implemented the company's policies and orders, inspected the behaviour and activity of the members of the company (freemen) and their factors (agents) operating in the Levant, and sent important information back to the London headquarters.

The ambassador's salary and expenses were paid by the company.[6] He was appointed by the Crown and performed the normal diplomatic functions of representing England at the Ottoman court. He was also responsible for the maintenance of the capitulations and the behaviour of the English merchants.[7] The consuls executed the decrees and the orders of the Levant Company and were responsible for the maintenance of good order inside the factories. They dealt with provincial officials and protected the personal safety, rights and privileges of the English merchants as they were described in the capitulations. They had to ensure the freemen's and their factors' compliance with the company's regulations and they judged merchant disputes.[8]

Treasurers and chancellors were appointed in the largest factories. The treasurer collected duties, provided the money for gifts and bribes

to the Ottoman authorities (the so-called *avanias*), paid wages and kept the accounts of the factory, which they forwarded regularly to the treasurer at Constantinople. The chancellor registered and preserved all the official documents of the factory in the chancellery, which functioned as a notarial office.[9] The consuls, treasurers and chancellors in the major factories were paid an annual salary by the company, and in order to be appointed they had to take an oath of good conduct and find some 'friends', i.e. members of the company, who would provide sureties for them.[10] Dragomans (interpreters) and janissaries (guards) were hired from among the native population.[11] English chaplains were also elected by the general court and sent to the major factories.[12]

Following consultation with the administration in London, the ambassador and some of the major consuls were allowed to administer the membership oath to English subjects abroad, grant trading licenses and patents offering English protection to foreigners. They also represented the rights and interests of the company before the local authorities, furthered bilateral relations and collected revenues and duties. Finally, they presided over the regular assemblies of factory members in all English trading outposts.[13] These assemblies, held in the embassy at Constantinople or at the residence of the respective consuls, in Smyrna, Aleppo, Salonica, Patras, etc., were an important structural and strategic element of the company's organisation. The members met and discussed the company's policies and regulations, business problems and incidents in the local markets, and political, military and social events affecting transactions. They also discussed problems that arose inside the factory and gave authorisation to the treasurer to borrow money in periods of financial difficulties. The minutes from the assemblies were communicated to the headquarters in London, where they were discussed at the general court.

Geographical Expansion: the Factories

The company's jurisdiction comprised initially the Ottoman Empire and, later on, Venice and the land routes to India.[14] The 1661 charter was even more specific, claiming that the company would have under its control 'Venice, Turkey or any part of the Levant or Mediterranean Seas other than the places of Traffic therein particularly mentioned'. These places were referred to by name and were Cartagena, Alicante, Dénia, Valencia, Barcelona, Marseille, Toulon, Genoa, Leghorn (Livorno), Naples, Civitavecchia, Palermo, Messina, Malta, Majorca, Minorca, Corsica and 'all other ports and places of trade upon the severall coasts of Spain, France and Tuscany'.[15] The company

established ‘factories’ throughout its jurisdiction, placing them under officers dispatched for the purpose; English merchants and their factors followed in suit. After the appointment of William Harborne as ambassador to Constantinople in 1583, three more consuls were sent to take charge in Egypt (Cairo and Alexandria), Aleppo (covering Syria, Palestine and Jordan) and the Barbary coast (Algiers, Tunis and Tripoli in Libya).[16] In the seventeenth century, another factory of major importance was established in Smyrna, on the west coast of Turkey. An international city port and an important Ottoman commercial centre, Smyrna served a vast and abundant hinterland.[17] By 1653, according to contemporary travellers, it was already a thriving hub of English commercial activity.[18]

In the following years, the Smyrna factory, together with those in Constantinople and Aleppo, became the focal points of the company's activity.[19] Another important operational axis was developed along the western coast of Greece in the Ionian Sea and comprised the Morea peninsula (Peloponnese) and some of the Ionian Islands. In the port city of Patras, a ‘general consul of Peloponnesus’ was established to monitor the English currant trade.[20] Another consul, nominated directly by the English Crown, was put in charge in the island of Zante. The concentration of the company's activity around these few important operational centres reflected a strategy of containment that was soon revealed in public.[21] In 1683 a decree was published announcing that those members and factors willing to expand their commercial activities in distant areas, beyond the locations of existing factories, would be personally responsible for their safety, and if they found themselves in a difficult situation they would have to rely on their own expenses. Consuls were also informed that if they decided to offer support and protection to the above-mentioned merchants, they would do so at their own responsibility and expense.[22] As mentioned above, this strategy of safe and limited transactions came in for much criticism from part of London's merchant community, those in the East India Company in particular, who considered it subservient to personal interests and detrimental to national profit. There is no doubt that from the company's viewpoint, the firm control of activities complied perfectly well with the mercantilist ideology championing the notion of well-ordered and regulated commerce while it served a number of other important purposes. It facilitated the management and supervision of the Levant officers and allowed for better coordination of their activity. It simplified the organisation of transport and the compilation of accounts and, generally, provided the company with a better overview of and a firmer grip on its members. For their part, the English merchants promoted a strategy of safe and high turnover dealing with smaller quantities of products, over the

idea of expanding their enterprises, in which they ran the risk of having surplus stocks in their storehouses or producing a glut in English markets.

From the middle of the seventeenth century, this policy of confined geographical development was replaced by a more relaxed approach and consuls, vice-consuls and agents were sent even to minor ports, islands and commercial centres to assist English merchants and shipmasters. During this period, the role of the Aegean Islands in the development of maritime commerce in the area was strengthened; scattered over a vast geographical area that linked the Ottoman coasts, from the Middle East to the Peloponnese and north Africa, with the rest of the Mediterranean, they became important intermediary stations for merchant fleets heading to the Levant and back to western Europe, an *entrepôt* for agricultural produce traded clandestinely and important markets for ship labour and vessels.[23] Many Ottoman subjects of Greek, Armenian, Italian and Jewish origin were nominated vice-consuls and agents, to represent the English on the islands of Paros, Mykonos, Tinos, Milos, Ios, Mytilini, Syros and Crete; also at Zea, in Piraeus, and Nafplio. In 1677 the company appointed Lancelot Hobson as English consul to Athens; he was succeeded by Benjamin Jones in 1700 and later on by local Greeks. On the island of Chios, a vice-consulate was established in 1687 and was placed under the jurisdiction of the Smyrna factory.[24] A vice-consulate was established in Larnaca, on Cyprus, and, until 1722, was dependent on the Aleppo factory. In 1799 Antonio Vondiziano, a merchant of Venetian origin, was nominated consul in Larnaca and remained in this office until the company's dissolution.[25] In 1718 another important consulate was established in the port city of Salonica[26] and in 1769 in Arta and in the region of Thessaly, on the Syrian coast at Scanderoon (Iskenderun), Tripoli, Latachia (Latakia), Jaffa, Acre and Beirut.[27] Consuls and vice-consuls were also sent temporarily to take charge of the British representation in the cities of the Dardanelles (Çanakkale), Bucharest and Adrianople (Edirne).[28]

The Bylaws

The company's bylaws were a set of rules applying to many aspects of the company's activities. They regulated the organisation of the company, the management of the factories and the duties of the officers appointed to the Levant. They controlled the practices, obligations and business methods, transactions and partnerships of the freemen and their factors. They specified the company's executive, legislative and judicial authority and defined the bureaucratic

procedures and services provided by the consulates to English subjects. They also compiled tables of rates with the values of goods traded by the members. The consulage and all the other forms of duties charged by the company were calculated as percentages on these rates.[29]

Bylaws were modified and reviewed to adjust to new conditions of business and trade, to become more effective and flexible and resolve organisational and administrative setbacks. They were also constantly interpreted by the company's officers in order to provide prompt and ready solutions to a multiplicity of situations and circumstances that arose every day back in London and in the factories all around the Levant. The company's administration issued extraordinary decrees, orders and directions when necessary. Infringement of the company's orders and regulations could lead to fines and penalties, sequestration of property, dismissal and even imprisonment.[30]

The company was criticised for its bylaws, which were considered, by that part of the merchant community denied access to the company and also by English manufacturers, as arbitrary instruments of oppression designed to manipulate the market.[31] In response to these allegations, the company responded firmly that its freemen had voluntarily submitted to its burdens and regulations in order to contribute to the better management and protection of English trade. Despite official reassurances about the coherence and effectiveness of the commercial strategy that had been adopted, the company's protective policy, executed through its bylaws, was considered a millstone even by many of its members, who reacted particularly to the regulations on partnership, monetary transactions and shipping. At times they found methods to circumvent them.

Members took an oath pledging themselves to collaborate exclusively with other members and to make true customs declarations in London and in the Ottoman ports. Upon entering goods at the Ottoman customs, each company member was obliged to declare that these goods were for his account or for the account of others either free of the company or holding a license to trade. A similar affirmation had to be made by every member in England when entering goods from the Ottoman Empire. This affirmation concerned also the transport of goods under the navigation acts, according to which English trade should be carried by English ships exclusively. In a similar manner, each factor established in the Levant to represent the interests of his principal/freeman, was obliged to make an affirmation declaring that the goods he imported from Britain to the Ottoman Empire and exported from the Ottoman Empire to Britain were for the account of Levant Company freemen when imported and

for his account or others free of the company when exported. Over the years, company members evaded these restrictions on partnership; indeed, in periods of crisis the company itself lifted them, before, from the eighteenth century, adopting a more tolerant approach in order to defend its members' revenues from the effects of war and blockades.

Another important burden for business transactions was the adoption of barter as the prevalent system of transactions in the Levant; this regulation was combined with another one prohibiting exports of coin and bullion to the Ottoman Empire. This system hindered commercial transactions and put the English merchants at a disadvantage in comparison with other merchant communities, the French in particular, but also with local traders as the value of local purchases usually exceeded the imports from the sales of Western products.[32] The commodities sent to the Levant to be sold in exchange for Levantine commodities were called ‘money goods’. This type of transaction had developed particularly in Aleppo in the eighteenth century, where British woollen textiles were bartered with Levantine silks. The system was eventually sidestepped by many members and it was abandoned in 1791.[33]

One transport system in particular adopted by the company to achieve some economies of scale sometimes weighed heavily on individual business strategies and ruled out profitable business opportunities. The company initially utilised its own ships to carry its members' merchandise to the Levant and back. In 1625 it inaugurated the system of ‘general ships’, chartered annually on behalf of its members; the cargo distribution on the vessels and the dates of departure were settled by the administration.[34] Freemen could also charter both general and private ships, but had to pay a fine of 20 per cent on the value of the transferred merchandise. If they preferred to act independently, they personally assumed the responsibility of securing a vessel, organising the voyage, ensuring the safety of the cargo and arranging the dates of departure. They were also obliged to keep the company informed about every detail of their project and pay the usual duties and taxes. The general ships made frequent stops: in Portuguese and Spanish ports, in Leghorn (Livorno) and, later on, Malta, Crete, Cyprus, and the small island of Tenedos on their way to the Dardanelles and Constantinople.

Despite being severely criticised and being frequently interrupted, the system survived until the late seventeenth century.[35] For long periods, it alternated with the chartering of private ships, until the beginning of the eighteenth century when the general court declared this compulsory, a decision that caused great stir and reactions from government officials, politicians and members of the merchant

community. Remonstrations against the company and its tactics were published and sent to the government. Among those who stood against the company was the political economist Adam Smith, who accused it of operating a severe and oppressive monopoly.[36] The company defended its policy, arguing that the system of general ships provided economies of scale and prevented a glut of the market by limiting the arrival of merchandise from the East through different routes and by various means.[37] The company also maintained that the 'Turkey Merchants as a Body' had, on occasions of 'war, badness of trade, or other inconveniences, sometimes resolved to carry on the Trade only in General Ships'.[38] This system gave them the opportunity to act as a whole and refrain from shipping goods altogether for one year or more when they did not think it appropriate. On these occasions, a kind of embargo was placed on trade. This situation, the company maintained, could not be called a monopoly as these limitations had a profound and calculated motivation: to control the prices of English imports in the Ottoman market and prevent a glut of Levantine goods in the English market by controlling supplies.

Despite these affirmations, the system of general ships was reviewed in 1720. Under the new regulations, members were allowed to ship goods to the Levant once a year. If general ships were not provided annually, then they were free to hire ships on their own or send their merchandise on whatever ships they pleased.[39] In 1744, the system was abandoned for good, increasing the number of vessels employed by the company's members and, as a consequence, the company's operations.

Transmission of Information

The company's international reach was served by an extended communication mechanism that transmitted information through institutional and private channels. Intra- and extra-company correspondence diffused information vertically and horizontally. Instructions, orders and updates were communicated from the top of the hierarchy (governor, deputy governor, secretary) to the company's officers and employees in London and the Levant. The company maintained direct correspondence with the factory assemblies, English freemen and their factors. The London administration was also in regular contact with state authorities, politicians and bureaucrats. In addition to this, it communicated with various employees and agents, trading companies and individual merchants. Information was transmitted horizontally between officers of the same rank and freemen, through intra- and extra-company networks of 'friends',

partners, social acquaintances and family relatives.[40]

Extra-company correspondence was a powerful source of official and sometimes confidential information provided by government and state officials, keeping the company abreast of various foreign relations issues and government policies. It sustained and reproduced the company's relation to the state and was a means of presenting and negotiating the company's cases to the authorities. The company represented by the English ambassador and its consuls corresponded with the Ottoman authorities or negotiated through dragomans (interpreters) who were invited by Ottoman officials to present their claims and arguments. Intra-company correspondence set out a structured mechanism that imparted knowledge, authority and trust. Circulars and routine letters were addressed to the more important factories first, Constantinople and Smyrna, and then to Aleppo, Salonica, Patras, Larnaca, etc. The information delivered was official, reliable and sometimes confidential. It reconfirmed policies, practices and procedures, gave instructions and directions to reduce or prevent risks and assist in the management of problems. Its contribution to business expansion and diversification was meagre; new business opportunities, prospects for geographical expansion and strategic options appeared mostly in letters and reports sent by consuls and vice-consuls, factory assemblies and individual merchants to the administration in London and not the other way round. The company acquired an overall picture of its freemen's activity and controlled its revenues through ‘manifests’, documents compiled by consuls and dispatched regularly to London.[41] The manifests recorded the arrivals and departures of English ships in Levantine ports. They also contained lists of their cargoes, the names of the consignors and consignees and detailed accounts of the duties paid for each commodity to the English consulate. Important information and data concerning the activity of other European merchant communities trading in the Levant, the French in particular, were dispatched regularly to the London administration. The consuls followed attentively the French textile trade and Dutch, German, Jewish and Greek transactions. Other information exchanged between the factories and central administration concerned political and military events, natural calamities and epidemics, piracy and contraband activities, social life and Ottoman culture, customs and laws, etiquette issues, everyday practices and various incidents.

The quantity, variety, quality and value of information dispatched by a factory depended upon a number of criteria: the personal qualities and intentions of an official, the size of a factory and its location, the volume of English trade and commercial transactions in a

region, the current political and military situation. This information passed through the company's official correspondence and reached through oral and written communication a wide spectrum of individuals, sometimes non company members too.

The Levant Company freemen had, similarly to all other merchants operating independently, access to information through personal and business correspondence exchanged with other freemen, factors, independent firms, officials, ‘friends’ and kin. Opportunities for collaboration and partnership that did not comply with the company's regulations, new markets outside the company's range, transport itineraries that bypassed the company's consulates and transport contracts that evaded general shipping were important pieces of information as they allowed a freeman to get the entire picture of the profit possibilities available, evaluate options and risks, and take decisions. Private merchant archives containing merchant correspondence of the period prove the importance of merchant letters transmitted through individual channels for the implementation of a personal business strategy.[42]

The exchange of letters kept the whole organisation bound together by common interests and obligations. To the same effect, the names of all new company members, together with those of merchants, captains and apprentices who had been granted licenses to trade, were dispatched regularly to all the Levant outposts. The names were registered in the chancelleries of the factories and each freeman and factor was acquainted with the entry of new members in the company's operational network. Intra-company correspondence also functioned as a mechanism for control and restraint, allowing the administration to collect information on violations and infringements and use it to impose penalties and fines. The names of the policy breakers, be they members, officers or interlopers, were made known through the exchange of letters.

CHAPTER 3

LATER YEARS: CORPORATE ORGANISATION, INDIVIDUAL INTERESTS AND NATIONAL IDENTITY

New Membership Profile: Corporate Identity and Nationality

From the eighteenth century, under the pressure of severe liberal criticism, the Levant Company reviewed its membership regulations and promoted significant changes in organisation and structure. In 1753 the company lifted the barriers on membership, allowing merchants who were retailers and non-London citizens to join as long as they could pay an entrance fee of £20.[1] The lifting of barriers on membership and the expansion of British trade in the final phase of the company's history was directly reflected in the vast increase in membership. Between 1795 and 1820, 816 people were enrolled in the company's membership register, leaving the company with around 800 members in 1825.[2] In 1815 the company's assistant secretary, Henry Thomas Liddell, accepted that the size of the membership register meant it was impossible for officials to keep the residence information of members up to date.[3]

Although the overall number of members grew, the factories never regained the numerical strength they enjoyed in the seventeenth century. This may be an indication that from the late eighteenth century, company members preferred to trade in an indirect way by remaining in Britain and employing intermediaries and agent-commissioners, foreigners and other company members or factors to represent them in the Ottoman Empire. During this period, the composition of the major factories remained quite stable over time; each factory contained some freemen and factors who were established permanently or for long periods in the city concerned. This

core was supplemented by newcomers who came to the Ottoman Empire for shorter periods before heading back to Britain or moving to another Ottoman city. A comparison of the names of merchants and factors who feature in the proceedings of factory assemblies over time prove the above statement. In 1797 the Constantinople factory comprised the following merchants: Peter Tooke, Thomas Thornton, John Prior, Richard Cartwright, James Barband, Thomas Olifer and George Abbott. Six years later, in 1803, the assembly consisted of Peter Tooke, Thomas Thornton, William Tuckwell, James Barband, John Prior, Niven Kerr and Stephen Maltass, and in 1810 by John Prior, James Barband, George Simmons, James Sarell, John Cartwright, Niel Maclachlan, Richard Wilkinson and Stephen Maltass. Isaac Morier, when he was appointed consul general by the company in Constantinople, joined the group at the beginning of the century. In 1813 John Prior, James Barband, John Cartwright, Richard Sarell, W.H. Richardson and William Mair participated in the assembly[4] and in 1818 the assembly comprised of F. Black, James Barband, William Smith, Richard Sarell, Philip Sarell, John K. Fischer and John Ray, together with the ambassador, Sir Robert Liston, and Cartwright, who took the place of Morier after his death.[5] A year later, in 1819, Cartwright, J.N. Black, James Barband, Richard Sarell, H. Jacob, Adam Wright and John Shoolbred participated in the assembly.[6]

In Smyrna, the most important factory of the company, the surnames of Werry, Hayes, Perkins, Lee, Wilkinson and Maltass appeared most regularly in the proceedings of the factory assembly from the late eighteenth century until the 1820s. In 1797, the fire that engulfed Smyrna's centre destroyed the homes of Francis Werry and those of Franel, Hayes, Perkins, Lee and Maltass, all British merchants.[7] The houses of Wilkinson and Barker were saved. Two years later, the Smyrna assembly comprised the consul, Werry, and the merchants Joseph Franel, Robert Wilkinson, Anthony Hayes, Edward Hayes, John Maltass, John Lee, William Maltass, William Barker, George Perkins and John Shoolbred. In a report sent to the Levant Company's governor Lord Grenville in 1798, 31 men and women of British nationality established in Smyrna requested to be indemnified by the British government for their losses during the fire that had destroyed the city a year before. These were Francis Werry, Robert Wilkinson, Joseph Franel, Anthony Hayes, George Perkins, John Maltass, John Shoolbred, Edward Hayes, Samuel Hayes, John Charnaud, John Charnaud (representing Francis Charnaud), William Maltass, George Boddington, John Lee, Caterina Boddington, Benjamin Boddington, James Stuart Ogilvie, Valentine Boddington, James Inkslir, George Mitchell, Charles Edwards, Thomas Jackson, Eleonora Forster, Fr. Boddington, John Rivans, Jasper La Fontaine,

Peter Duveluz, Annette Hayes, Paolo Di Pietro Santi, William Tomlinson and Leon Gabbai of Gibraltar.[8] In 1813 the factory comprised ten members and in 1815 the Smyrna assembly comprised nine companies: Edward Hayes and La Fontaine, John and William Maltass, George Perkins, C. Whittall and Co, Lee and Brant, Charnaud and Henderson, Franel and Jackson, Peter Duveluz and Co, and Lee and Sons.[9] In 1816 some new names were added to the Smyrna assembly, which now comprised 17 members: John Maltass, William Maltass, Edward Hayes, Thomas Jackson, John Charnaud, James L. Gout, George Perkins, C. Wilkin, William Prior, Edward Woodman, Jas Purdie, Nathaniel Boddington, Jasper La Fontaine, Lee and Sons, B. Maltass, James Brant and Samuel Hayes.[10] In 1818, William Prior, Jn. Gout, Jasper Brant, John Lee, Samuel Hayes, Valentine Boddington, John Maltass, B. Maltass, George Perkins, D. Sandison, C. Whittall, Edward Hastings, James L. Gout, Jasper La Fontaine, John Charnaud, Robert Wilkinson, Thomas D. Mildred, Charles Ede and Thomas Jackson were the 19 British 'Smyrna merchants and factors' who addressed the company to defend their rights.[11] A year later, 15 companies participated in one of the factory's assemblies. These were Winkelman and Heywood and Co, Samuel Jackson, Charnaud and Henderson, P.P. Scott and Rogers, James Miller, Gout Brothers, William Prior, Lee and Sons, Charles Ede, Geo. Perkins, John Maltass, P.P. Lee and Brant, R.W. Brant, Kerr, Black and Fischer, and Wilkin and Co.[12]

Salonica had been a peripheral outpost for British trade and the belated establishment of a factory in the port city was proof of this. Until the first decade of the nineteenth century, when the port experienced a great but brief boom, the local factory remained rather small, comprising mainly the members of three British families; some of these families had close connections with the Smyrna factory, such as the Charnauds and the Chasseauds. In 1804, Francis Charnaud, Peter Chasseaud, Bartholomew Edward Abbott, John Pyburn and George Frederic Abbott were the Levant Company freemen established in the port. Almost 20 years later, the same Charnaud, Chasseaud and Abbott families composed the factory, for distributing the company's offices among themselves. In 1820s the local factory comprised Francis and John Charnaud, Peter Chasseaud and G., H. and C. Chasseaud and George Frederic Abbott.

The lifting of barriers on membership in 1753 combined with the company's augmented sensitivity over the issue of the nationality of its members: in fact after 1753 British nationality became the basic requirement for membership. Until the company's dissolution, membership was bound to British nationality despite the fact that,

from the eighteenth century onwards, the company's operations relied on the involvement of more foreigners, European and Ottoman, through the lifting of restrictions imposed by the navigation acts and the granting of special protection patents and licenses. Applicants had to prove their British nationality; unless a merchant was legally a British subject – from birth, naturalised or a denizen – he could not, under any circumstances, become a member.[13] In 1808 the company's general court considered the affidavits of David Parry and William Cooke and admitted them to the freedom of the company on the presumption that they were 'to all intents and purposes' bona fide British subjects.[14] Despite this, the company requested that the two merchants provide more proof of their nationality, informing them that the £45 admission fee they had paid in total to the company was held in trust until they could confirm their nationality.[15] Until its dissolution, the company insisted on the principle of British membership against any attempt by foreign merchants to sidestep the rules and gain the title and the privileges of a freeman. Unsuitable applications were turned down, such as that from M.S. Salomon in 1810, who was politely informed by the company secretary, George Liddell, that as a foreigner he could not be admitted unless he was naturalised British subject or a free denizen.[16] On one occasion, the company found itself the focus of a coordinated attempt by foreign subjects to obtain membership. In 1818, the deputy governor, Jacob Bosanquet, informed the governor, Lord Grenville, of a case involving a 'foreign gentleman' who presented a membership application 'on the ground of his being de facto a naturalised subject of Gr. Britain by the mere circumstance of his holding stock of the Bank of Scotland'.[17] The applicant had hired solicitors to prove the legality of his claim and support his admittance to the company. For Bosanquet, this incident was even more peculiar for its timing, at a moment when the home secretary Lord Sidmouth, had proposed a policy of repudiating all applications for naturalisation from foreigners; Bosanquet's opinion was that this peculiar, delicate and unprecedented situation should, exactly for this reason, be referred to the government.[18] And yet in the following years, a number of foreigners who had purchased shares of the Bank of Scotland were eventually admitted to the freedom of the company; the mere fact of holding shares in the bank was deemed to entitle them to all the privileges of natural-born subjects of Great Britain. The claims of these foreign subjects were based on a clause in the 1695 statute establishing the bank. In 1820, the Scottish Court of Session ruled that only original – not subsequent – subscribers to the bank were entitled to naturalisation, a finding that was upheld, after an appeal, by the House of Lords in 1822. Consequently, all those who obtained naturalisation through the purchase of Bank of Scotland

shares were to be stripped of their British nationality. The company followed suit and in the same year. It decided to expel those who had obtained membership on these grounds, informing them of the decision through its solicitors. Those affected who were based in the Levant were notified through the company's consuls. Reasonable time was given to them to disengage their business from the company while the company's treasurer returned their admission fees. These members were John Lewis Prevost, Peter Ambrose Schutz, Charles Dederick Winckelmann, Lewis Frederick Hulle, Rudolf Groning and John Jas. Romer.

Despite the company's determination to restrict membership and protect its national character, the admission of new members was welcomed and pursued with great enthusiasm, especially from the moment that the major ports of Great Britain were allowed engage in the company's trade. The company regularly sent instructions and advice to the custom collectors it hired at the ports of Bristol, Falmouth, Portsmouth, Yarmouth, Hull, Newcastle, Glasgow, Greenock and Dublin, where according to reports ships loaded with Levantine goods arrived daily.[19] The merchants of these thriving ports could easily attain membership by taking the usual oath and paying the usual fee. They were also required to sign an affirmation that was forwarded to the company through their correspondent in London; it is interesting that collaboration with a correspondent – a commercial firm – established in the capital was deemed compulsory by the company, a regulation that maintained the company's strong bond with London's merchant community. The general court was responsible for examining and approving the affirmations. When in 1809 the company learned that consignees were due to import a variety of Levant produce daily to Hull for the account of non-members of the company, it gave directions to its local customs collector to ‘remind these individuals interested in the goods in question of the expediency of being a member of the company through an easy and brief procedure’.[20] He was also to explain to them that their business would benefit from membership and enable the company's collector to offer them a number of facilities. A measure of the company's penetration in these developing areas was the distribution of the company's revised bylaws in 1821, with copies being sent to its custom collectors in various ports of England, Scotland, Wales and Ireland to be delivered to members: Adam Norris in Liverpool received ten copies and another ten copies were sent to J. Barrett at Bristol, C. Lutwidge at Hull and J. Grimes at Leith. Four copies were sent to S. Pellew at Falmouth, to W. Marshall at Grimsby, and three to J. Littledale at Whitehaven. One copy of the bylaws was sent to Exeter (Mr Wright), Newcastle (C. Ongle) and Southampton

(W. Smith). Twelve copies were sent to Dublin to William Hautenville.[21]

British merchants in the Levant submitted membership applications to the company's consulates. Consuls in the Ottoman Empire were also instructed to take great care when administering the freeman's oath without having collected all the necessary proof of the British nationality from applicants. Since the general court had to approve all applications, the consuls were obliged to forward all the required documents to London for its consideration. For this reason, the company provided certificates and affirmation documents to all its factories in the Levant to be compiled by prospective members. Francis Werry in Smyrna and John Cartwright in Patras received precise instructions on how to process membership applications in 1811 and 1816.[22] In ports with no factories, such as Malta, Leghorn (Livorno) and Gibraltar, British merchants and agents were authorised, through powers of attorney, to act as company representatives and administer the oath. William England in Malta, John Benson Cooke in Gibraltar and John Falconar in Leghorn were among them.[23]

Once the prospective members had provided enough proof of their nationality, they had to clear all previous pending obligations to the company and then pursue the whole procedure to the end. Attempting to bypass the regular admission procedure or producing incomplete or falsified documentation generally disqualified them. Company customs collectors at various ports in the United Kingdom where Levant cargoes arrived were often the recipients of applications from British and foreigner consignees and proprietors wishing to obtain immediate membership. The main motivation of these applicants was to enter their cargoes into the country without paying the additional duties and fines levied by the company on non-freemen. As these applications were usually submitted in haste and were incomplete, the company was forced to return them or keep them on hold. Despite the company's strict policies and the care exercised by custom officials, violations of the membership procedure often occurred. In 1806 the company secretary, Thomas Browne, informed the collector of duties in Liverpool John Smallwood that any merchant wishing to become a freeman would have to settle any previous accounts pending with the company before applying. The company also specified that a commercial firm could not be considered a member unless all the partners in the firm had applied and been admitted as freemen.[24] In 1808 the company's secretary, George Liddell, remonstrated with Charles Lutwidge, collector of customs at Hull, for allowing Messrs Wright, Bowden and Wright to pay freemen's duties when entering

their merchandise from the Levant while their application was still pending: the firm had yet to dispatch the affirmation form and the membership fee to the company in London. On the occasion, Liddell confirmed that it was 'the Company only in general court assembled that can grant admission until which shall be obtained no persons whatever can legally enter Levant produce'.[25]

In the Levant factories, the process of admitting new members sometimes clashed with personal interests, likings and prejudices. In 1803 Thomas Browne, the company secretary, instructed Francis Werry to register in the Smyrna chancellery the names of William Sadler and Robert Thompson, who had been recently admitted to the company. Browne had been informed 'by a gentleman' that although the consul had received precise instructions to enter the two names in the company's register at Smyrna, he had for some reason overlooked his duty. Werry was asked to remedy his error and report to the company.[26] Some years later, a London merchant, J.B. Jacob, complained to the company that a membership application from his brother, Henry Jacob of Constantinople, had been refused by the local factory on the ground of him being a Jew. The company then instructed the consul general, John Cartwright, to account for the incident. According to the company, the factory had no authority over such matters and the whole procedure followed by Cartwright had been wrong. The usual oath was therefore to be administered to Jacob, who was eventually admitted to the company and, subsequently, participated in the factory's assemblies.[27]

By the 1820s, when it was facing its dissolution, the company relaxed its severe and uncompromising approach towards membership, as demonstrated by the case of Yates Bros, which received goods on the *Magnet and Ann* from Smyrna to Liverpool in July 1824. J.A. Yates of Liverpool had been admitted to the company as a freeman on 17 September 1818. In July 1824 he received goods from Smyrna for his own account and for the account of other merchants for whom he was acting as agent. All those involved in the transaction were company members. The merchant who had sent the goods from Smyrna, S. Green, became a freeman on 3 January 1823. Another man involved in the deal, C. Neville of Manchester, was a member from November 1823. However, when Adam Norris, the company's customs collector in Liverpool, requested J.A. Yates to provide him with the names of all his partners in Yates Bros and confirm that they were all members of the company, Yates refused to reply to either question. He also refused to sign an affirmation that he was acting on behalf of another company. Norris referred these peculiar circumstances to Liddell, requesting instructions on how to

proceed. The company instructed Norris to avoid putting any additional pressure on Yates, to allow him sign the usual affirmation and require nothing further from him in the absence of any proof directly incriminating him. The company also advised Norris to avoid, if possible, any disputes with individuals, and declared that the company was no longer willing to exercise 'an inquisitorial jurisdiction' in such cases. In order to adopt 'other proceedings', there should be 'some very strong ground of suspicion'.[28]

The importance attached to British nationality as a necessary condition for membership revealed the company's disposition to denote and safeguard its national identity.[29] The creation of the unified sovereign state of the United Kingdom by the end of the eighteenth century and the British involvement in a series of wars that tested the country's military, political and economic endurance and allowed it to expand its influence globally, were two historical developments that weighed on the Levant Company, both ideologically and practically. The extension of its organisation to all the important ports of Britain and Ireland and the employment of local officials to represent it and collect its duties was one of these developments and served to give it a national standing. In these circumstances the company had every reason to confirm its national identity and stress its valuable contribution to national trade against accusations from a considerable part of British society presenting it as an elitist monopoly. The ambassador – who was responsible directly and only to the British Crown from the beginning of the nineteenth century – but also the consuls, the Levant officers and the administration in London referred all the more frequently in the company's correspondence to the company's principal concern with the representation and the interests of the nation. As early as 1797, John Spencer Smith, *chargé d'affairs* in the British embassy at Constantinople, referred to the *berats* as concessions to the native Ottomans that served the national interest[30] and to the vacancy of the Aleppo consulate as detrimental to the national interest.[31] Some years later, Isaac Morier created a factory committee to examine the situation concerning the import of cotton yarn in the Ottoman Empire and 'make observations on the matter as they may deem useful to the National Interest'.[32] Morier and the company's consuls made extensive use of the term 'nation' when referring to the British merchant communities in the Levant.[33] Gradually, 'nation' replaced the term 'factory', as the 'British nation' of Constantinople, Smyrna, Salonica, etc., comprised all those non-freemen British subjects who were under the jurisdiction of the local British consuls.[34]

The illicit activities of the company's members and the evasion of

duties were considered to be against the national interest and in 1811 George Liddell, the company's secretary, maintained that if the company's members continued shipping their goods under foreign flags ‘to the prejudice of British navigation’, the national honour would be compromised.[35] In 1812 the company accused those of its members not complying with its rules ‘of selfish indifference to the welfare of their country’.[36] In the meantime the company's administration in London presented the indirect importation of madder root and other Levant produce into Britain by individual merchants who traded outside the company's jurisdiction as against the national interest.[37] In 1819 Liddell mentioned in a letter to one of the company's customs collectors that the Levant Company had been responsible for the maintenance of the ‘national establishment’ in Ottoman Empire. A year later, he pointed out to the consul general in Constantinople, John Cartwright, the expediency ‘for the national interests that their consul at Acre should be a British subject’.[38] During the same period, the company's deputy governor, Jacob Bosanquet, assured the prime minister, Lord Liverpool, that the Levantine trade was ‘on comparison with the other foreign trades that which is more advantageous for the Nation’.[39] When in 1821 the government considered appointing a consul in Trebizond, in an attempt to open a new trade channel through Persia, the company also referred to ‘national honour’ when requesting Cartwright provide the Board of Trade with latest data concerning the area. As it stated, ‘we consider it necessary to the protection of persons and property as well as due to the national honor that if we place a consul at Trebizond which is a distant and barbarous frontier of Turkey, he should have the highest sanction of the government’.[40]

The company's determination to protect its national identity by allowing only British subjects to become members was also a reactionary tactic against the increase in petitions from individuals of various nationalities demanding admittance. This happened in London but also in Constantinople, Smyrna and Salonica where Maltese, Anglo–Maltese and, after 1815, Ionian subjects claimed that as they were under British protection, they should be allowed to enjoy the privileges granted to the British by the Ottomans. After 1815 in particular, and the declaration of the Ionian Islands as an amical protectorate of the United Kingdom, the company's officers in the Levant had to cope with the unintended consequences of becoming responsible towards the Ottoman authorities for the trade and the practices of a number of individuals of Greek and Italian origin who claimed to be British subjects. The consul general, Isaac Morier, complained to the company about the situation, while consul Francis Werry at Smyrna was involved in bitter disputes between Ionian and

Ottoman subjects.[41] The scale of the problem is clear from Salonica, where in 1821 Francis Charnaud saw the British factory grow from seven to 21 members with the addition of 14 Ionian citizens.[42]

Hierarchy and Power in the Factories

From the early nineteenth century, one of the developments that determined hierarchy and distribution of power among the company officials in the Levant was the appointment of a consul general in Constantinople directly dependent by the company to oversee its commercial affairs. The decision, officially pronounced in 1804 when the British Crown appointed Charles Arbuthnot as British ambassador at Constantinople, was supported by both the British government and the company. The appointment of a consul general was expected to contribute to a more efficient management of the company's affairs in the Levant and relieve the British ambassador from the burden of representing a trading company to the Ottoman authorities. This decisive step had both symbolic and operational consequences; it was deemed necessary by the British government, since Britain's involvement in political and military activity in the southeastern Mediterranean had turned the British ambassador to the Porte into a key negotiator entrusted with crucial diplomatic duties and with little time to dedicate to British commercial affairs. The division of authority, however, between the ambassador and the company's consul general in Constantinople delineated clearly the company's authority over British commercial affairs, leaving to the State and its diplomatic representative, the ambassador, the complete and unquestionable control over British foreign affairs.

At another level, the company's factories had always been vehicles of British sovereignty on Ottoman soil, symbols of the company's identity and instruments for the implementation of its strategy. They were the operational extremes of a centralised administration and, as such, they had their own distinctive place in the company's internal hierarchy. The strategic position, volume of activity and number of members of each factory determined its status, which was also reflected in its ranking in the company's correspondence list. At the same time, each factory covered a distinctive area within which a separate hierarchy of authority existed and power relations developed alongside the everyday pursuit of common and individual business interests. The distribution of offices and the everyday management of the company's affairs at local level was a cause of conflict for officials and factory members over authority, hierarchy and the distribution of duties. Usually these situations arose inside the same factory;

sometimes they involved two different factories competing over rights and benefits. In the final phase of the company's history such incidents were quite common, proving that within a highly competitive environment, where businessmen seized the best opportunities available to make profit, competition and personal interests could implicate members and officials in bitter strife and antagonism. Factory officials, consuls in particular, frequently had to bring their official duties, personal strategies and professional targets together; they had to combine the qualities of an experienced diplomat and a conscientious public officer with those of an intuitive businessman. This was a very complicated and demanding task. The growth in the number of company members and protégés, as well as the increasing involvement of foreigners and Ottomans in British trade and business strategies, presented company officials with new challenges, to which they had to respond quickly and efficiently. They sometimes followed their own instinct or responded to their own needs and felt free to administer the factories as they thought fit, overstepping their duties and evading the company's rules.

Power and Authority

This division of power and duties in the Levant was bound to provoke clashes over authority and strategy. The status and the authority of the ambassador towards the other high-ranking officials appointed to the embassy and the consul general in Constantinople, and the consul general's towards the rest of the consuls appointed in the Levant, gave rise to controversies implicating the two major factories in Constantinople and Smyrna during the period investigated.[43] In 1799 one of the reasons that deepened the breach between the ambassador, Lord Elgin, and the secretary to the embassy, John Spencer Smith, was the former's decision to transfer Bartholomew Pisani from his position as the factory's chancellor to that of the embassy's first dragoman.[44] Smith had been *chargé d'affaires* at the embassy since 1795 and minister plenipotentiary since 1798. After the arrival of Elgin in Constantinople, the company appointed him secretary to the embassy responsible for the promotion of the company's affairs – a position that presaged the appointment of a consul general a few years later; one of Smith's assignments was to continue negotiations with the Porte on the opening of the Black Sea to British vessels.[45] Elgin's decision to appoint Pisani as first dragoman created a vacancy in the chancellery and Smith, who relied considerably on the chancellor's assistance for the implementation of his duties, wanted this position to be filled by a person he trusted. He therefore recommended his secretary, Malivoire, for the position.[46] Malivoire was a young French

diplomat who had served in Morea and in Alexandria in Egypt under Louis XVI. During the French revolution, he went to Baghdad where he worked as a factor. Malivoire had travelled for some time with Smith's brother Sir Sydney Smith, a senior Royal Navy officer, 'rendering some services'. For some time, he had been in the service of John Spencer Smith, who said the company had much to gain from 'the adoption of such a person as an acquisition to our service' as he had been educated in a 'school' (meaning the French diplomatic service for the Levant) 'wherein we have yet much to learn to maintain our Levant commerce'.[47] Elgin, supporting fervently the appointment of British subjects in the Levant to serve the national interest,[48] rejected this request outright and was supported by Pisani. This situation made the relation between the two diplomats even more fraught, with Elgin accusing Smith of continuing to carry out separate and secret negotiations with the Porte.[49] Finding himself more and more isolated, Smith requested leave of absence from the company some months later.[50] Despite the company's attempts to reconcile the two officials, things did not improve and in 1801 Smith returned home. Two years later, in 1803, Elgin returned to England too, leaving in his place his secretary, Alexander Straton, as *chargé d'affaires*.[51]

The appointment of a consul general in Constantinople, who was entrusted directly and exclusively with the company's commercial affairs, was bound to create a situation of confusion until his status, rights and duties towards the British ambassador, who was appointed by the Crown, and the rest of the company's consuls were clarified. The appointment of consuls by the ambassador and the consul general's authority over the chancellery and the dragomans employed in the embassy were two issues that produced tension between ambassador Robert Adair and consul general Isaac Morier from 1809 to 1810; the company's intervention was eventually required and additional instructions were dispatched to the consul general.[52] When Adair appointed Giorgio Reggio as consul in Candia (Crete), Morier protested that this represented a violation of the company's charter which deemed the appointment of consuls as the remit of the company. The company, however, maintained that the ambassador's action did not constitute a breach of its privileges as the appointment of a consul at Crete would serve British political as well as commercial interests.[53]

In 1809 Morier complained to the company that a subordinate, Smyrna consul Francis Werry, had received prior knowledge of the company's instructions on how to deal with the Malta trade.[54] Werry's well-established influence inside the company was apparently the cause of the consul general's nervous reaction. His power derived

directly from the magnitude and the central role of the Smyrna factory within the company's structures in the Ottoman Empire: on various occasions company officials had stated that the Smyrna factory was the most important in terms of the volume and value of trade. Werry corresponded directly with the company's administration in London, exchanged information and opinions with other consuls in the Levant, and was in direct contact with all the vice-consuls appointed in the Aegean Islands. Werry received and dispatched their letters to the company headquarters in London, bypassing the consul general, communicated with them whenever there was a problem to be resolved and represented their rights and interests before the company's administration.[55] The bulk of correspondence arriving at the Smyrna factory from the vice-consuls and agents in the Aegean Islands was such that in 1811 Werry was constrained 'under the augmentation of affairs occasioned by the vice consuls of all the islands in the Archipelago corresponding with this office' to request the company's permission to employ a clerk 'to transcribe Greek', given that the majority of the vice consuls were natives.[56]

Following Morier's reaction, the company felt obliged to clarify the authority and the position of the two officials in the company's hierarchy. As it was stated, the former, Morier, would always have priority when it came to receiving company correspondence. Werry had learned about the instructions on the Malta trade because the company had 'to write to him on other important subjects'.[57] This declaration was meant to settle things down. In the following years, however, Werry's impulsive personality led him to take initiatives that overtly challenged the consul general's authority. In 1812, during an assembly of the Smyrna factory where an extra duty on cotton twist charged on British imports was discussed, Werry and the factory members decided to bypass Morier, whose pursuits 'observing the company's affairs at Constantinople … met nothing but delays', and prepare a letter addressed directly to the Ottoman authorities claiming to be exempted from this new duty.[58] After Morier's death, Werry presented a petition to the company requesting to be awarded the rank of consul general, arguing that as all other foreign representatives in Smyrna had this rank his position was much inferior to theirs according to the punctilio observed in the place.[59] His petition was turned down and John Cartwright, a company member and former consul in Patras, assumed Morier's position in 1817.

Werry's practices were also opposed by the members of the Smyrna factory, and on several occasions the company had to intervene to settle disputes.[60] In 1801 he became involved in a dispute with the factory members, who contested his authority to suspend factory

employees, maintaining that his actions violated the company's bylaws. The Smyrna factory, represented by Morier and Wilkinson, William Barker, A. and E. Hayes and Co, Franel and Jackson, J. Shoolbred, George Perkins, Peter Duveluz, Lee and Sons, and John and William Maltass companies, requested that the company state on where 'lies the last appeal' in cases of disagreement between them and the consul. The merchants also wanted to know whether, as representatives of the company in Smyrna, they had 'a voice' in the election or the dismissal of the janissaries employed to serve the factory's needs.[61]

Following these and other similar incidents, in 1810 the company deemed it necessary to explain to Morier the relative situation of its officers, composing what it referred to as 'the Establishment'; it was important, the company underlined, that no 'unnecessary discussions' or conflicts arose between members and officials because they damaged both the interests of the individuals concerned and the general interests and image of the company.[62] As the company set out, the ambassador should be considered the 'supreme Chief of the Establishment exercising complete authority on every Individual whatever be his rank or situation'. The consul general was second in rank, 'next under the ambassador', with authority over 'subordinate affairs' related to trade and not requiring official interaction with the Ottoman government, a task performed only by the ambassador. The company's treasurer in Constantinople was third in rank, after the consul general, followed by the chancellor and then the factors, ranked according to seniority. The Constantinople chancellery was under the authority of the consul general, but the ambassador could utilise it as he wished whenever he thought it was appropriate. The consul general could, however, request from the ambassador the use of some of the embassy's personnel, one or two dragomans or a janissary.

The company's intention was to establish a hierarchy of authority and duties so that similar incidents implicating the ambassador, the consul general, consuls, other company officials and members could be avoided. However, the appointment of a consul general for Morea and Albania and another one for Egypt directly dependent on the Crown, and not the company, complicated the situation somewhat. These appointments served political purposes, reflecting the determination of the Crown and the government to implement specific economic and foreign policies in areas of particular interest. There was already a company-appointed consul operating in Patras – the centre of the Peloponnese currant trade – and another one in Alexandria in Egypt. The decision of the Crown to send one more

representative to Cairo, with the title of his majesty's consul general, had followed several appeals from the East India Company, which considered the establishment of a separate British authority in Egypt necessary for the promotion of its interests.[63] The Levant Company agreed with and recognised, with an order, this appointment. The company published an additional order in 1818 confirming that the company's consuls in Alexandria accepted the authority of his majesty's consul general of Egypt. According to the company, the purpose of this order was to prevent any 'unpleasant collision in that remote part of the Turkish Empire'. In Patras, however, the appointment by the Crown of a consul general for Morea and Albania created friction, despite the fact that a son of Isaac Morier, John Philip Morier, was the first to be appointed to this post. In 1805 the company rejected John Philip Morier's claims on the company's duties collected up to that point by the company's consul in Patras, Nicholas Strane.[64] Using the example of Egypt, where the appointment of a consul general did not infringe in any way on its jurisdiction in the area, the company informed Morier Jr of its wish that Patras would remain on the same footing as before his arrival and that Strane would continue to collect the company's duties according to the company's regulations, without any interference on Morier's part. In October 1810, Isaac Morier expressed his sorrow for his son's 'disrespectful' conduct to the company.[65] J.P. Morier remained in his position, which eventually took on a purely political purpose: to establish a contact with the powerful Ali Pasha of Janina (Ioannina)[66] and to monitor the Ionian Islands.[67]

A Hierarchy of Seniority

According to the company's internal hierarchy in the factories, the consul ranked first, followed by the treasurer, the chancellor and, finally, factory members, freemen and factors, according to seniority. In audiences with the ambassador and other public assemblages and hearings in Constantinople, the treasurer of a factory sat beside the consul general and next to him sat the chancellor, followed by the factory members. In 1810, a custom introduced by the Porte many years earlier on the occasion of the first audience of the sultan with the ambassador Lord Elgin caused tension and disapproval among the members of the Constantinople factory. The incident proved that officials and members adhered to this hierarchy faithfully, as power and status meant a great deal to them. During the first imperial audience granted to a British ambassador, the British merchant members of the factory offered valuable cloths as presents to the Ottoman officials. This practice was part of a wide range of actions

and demands made by the Ottoman government on the Europeans which were generally known as '*avanias*'. Some of them were customary in nature, being the gifts and donations expected by most individuals holding power, from the sultan to the grand vizier, from the local judge (*qadi*) to the customs officer of a provincial town.[68] Levant Company officials traditionally offered valuable, British-manufactured cloth of elaborate quality and beautiful colours to Ottoman officials as presents. On the occasion of the British ambassador's first audience, the Porte offered in return a number of valuable furs to the ambassador and company members based in Constantinople. But in 1810, the distribution of furs was denounced by one factory member, reflecting wider disquiet, as unjust and partial.[69] James Sarell, a senior member of the factory, protested to Morier that were the company's rules of precedence (consul general, treasurer, chancellor and factors according to seniority) to be followed, and that he should have received a fur. While Sarell maintained that a fur was an object of no importance to a merchant from an economic point of view, there was a 'respectability attached to it in the esteem of the world'. It had there become an object of great importance to those factors who were permanent residents of Constantinople. Sarell explained that it was a matter of principle to defend the privilege he was entitled to; if he abandoned it, then other similar encroachments might follow. He insisted his right to a fur on the basis that he came third in seniority after the merchants James Barband and John Prior, who as the factory's treasurer was already entitled to one. And yet Sarell was informed that he would not receive a fur as the ambassador, Robert Adair, considered it absolutely necessary that one be offered to Captain Walter Bathurst of *HMS Salsette*, which was at Constantinople at that time.[70] Another member of the factory, Niel Maclachlan, attempted to participate in the ambassador's audience in place of one of the excluded factory members.[71] Wishing to receive a fur, Maclachlan requested Morier's help, who conveyed his request to Pisani, the dragoman, for the attention of the ambassador.

Family and Profit

Family lobbying had a powerful influence in the company's organisation and hierarchy; the list of the addressees of company correspondence between the eighteenth and the nineteenth centuries shows powerfully that in cases, people with the same surname – and most likely related – held office in a number of different Levant factories (see *Table 3.1*). The minutes of factory assemblies in Constantinople, Smyrna, Aleppo and Salonica also reveal the extent of

the involvement of individual families in the Levant business, with members of the same family appearing in various posts in the Mediterranean and representing the family's interests.

Company freemen did not seek offices in the Levant just to gain power within the company and local society; being employed in an important company position in the Levant was often a significant source of income. The collection of duties – a percentage of which some consuls claimed as a bonus – was another cause for antagonism between officials of different factories, as was the case between Larnaca and Aleppo, or within the same factory, as was the case in Salonica between the consul and his substitute.

The strife between the Larnaca and Aleppo factories over the levying of duties commenced when some British trade with Syria was channelled through Cyprus, thus bypassing the port of Scanderoon (Iskenderun). The reason for this detour was the governor of Scanderoon, who had reportedly caused considerable problems for the European merchant communities of Aleppo. After British vessels arriving at Cyprus unloaded their cargoes, the part of the merchandise destined for Aleppo was reshipped on small Ottoman vessels to Latakia, from where it was transferred overland to Aleppo. The same route was taken by merchandise sent from Aleppo to Europe.[72] The ‘misunderstanding’ between the two consulates started when the Aleppo consul, John Barker, insisted that the consulage on cargoes destined for Aleppo via Cyprus should be levied in Aleppo and not in Cyprus. To support his stance, in August 1815 Barker asked the Austrian vice-consul in Aleppo what was his consulate's policy on the issue, in a letter that was copied to the consuls of Holland and Sweden and the vice-consuls of Russia, Denmark and Spain. Barker wanted to know first whether the Austrian consul had any claims on the duties charged on European merchandise shipped via Cyprus and destined for Aleppo commercial houses. He also requested to know whether the Austrian consulate levied duties on cotton, galls, soap and other merchandise sent from Aleppo via Cyprus for the West. Finally, Barker asked whether the Austrian consulate charged duties on cotton and other merchandise that was sent from the southern Anatolian coast (Karamania) to merchants in Aleppo on commission and, from there, forwarded to Cyprus for shipment to Europe.[73] Barker's efforts did not bear any results as the company remained adamant that ‘consulage should be levied by and appertain to the consulate of the district wherein the first landing or final shipment of goods shall take place’.[74] According to the company, the diversion of part of the Syrian trade to Cyprus was not a good reason to change this standing order. The company nevertheless promised Barker that it would try to restore

the Scanderoon trade, first by seeking information from other merchant communities about the situation in the area and then by appointing a ‘factor marine’ (a position similar to a vice-consul) who would assist British trade.[75] In the following years, the problems between the two factories continued although the company's consul in Larnaca, Antonio Vondiziano, continued for some time to provide Barker with detailed accounts of duties to be received in Aleppo. When, after some delay, Morier informed him about the company's decision, Vondiziano suspended this practice despite Barker's complaints that consulage on goods destined for Aleppo was impossible to collect in Cyprus, as the merchants and the ship owners refused to advance duties to Vondiziano.[76] Vondiziano also had problems with the company's agent in Acre, Pasquale Malagamba, who complained to the company that Vondiziano collected consulage on goods loaded in Beirut, an area which he represented.[77]

Table 3.1 Officials in the Levant factories in the eighteenth to nineteenth centuries

Abbott	Bartholomew Edward (Salonica), George (Constantinople), Robert (Aleppo), Peter (Acre)
Aspinwall	Stanhope (Constantinople)
Baldwin	George (Cyprus), George (Egypt), William (Cyprus)
Barker	Benjamin (Constantinople), H. (Smyrna), William (Smyrna), John (Aleppo)
Barton	George (Cyprus), Robert (Cyprus), Robert (Egypt)
Black	J.N. (Constantinople)
Boddington	Benjamin (Constantinople), John (Smyrna), John (Cyprus), John (Acre)
Barband	James (Constantinople)
Boumester	V. (Latakia)
Brant	James (Smyrna), James (Latakia)
Briggs	Lester (Aleppo), Samuel (Egypt),
Browne	Francis (Scanderoon)
Bulley	Witham Robert (Scanderoon)
Carie	John (Tripoli)
Cartwright	John (Constantinople), John (Patras)
Charnaud	Francis (Salonica), James (Salonica)
Chitty	Joseph (Smyrna)
Cooper	William (Aleppo)
Coxe	Nevil (Aleppo), William (Aleppo)
D'Aeth	Thomas (Smyrna)
De Vezin	Michael (Cyprus)
Drummond	William (Aleppo), Alexander (Scanderoon)
Fitzhugh	Valentin (Constantinople)
Frampton	John (Egypt)
Free	John (Aleppo), Nathaniel (Aleppo)
Fry	Charles (Smyrna), Charles Jr (Smyrna)
Gallon	Daniel (Scanderoon)
Green	P.J. (Patras)
Hammond	Peter (Aleppo), William (Aleppo)
Hanger	William (Constantinople)
Harris	Richard (Egypt)
Hayes	Anthony (Constantinople), Anthony (Smyrna), Frederic (Smyrna), David (Aleppo)

Humphrys	Henry (Constantinople), John (Constantinople), Francis (Constantinople), Valentine (Smyrna)
Jennings	James (Constantinople)
King Fischer	John (Smyrna)
Kinloch	William (Aleppo)
Lee	Edward (Smyrna), James (Smyrna), John (Smyrna), Nicholson (Smyrna), Richard (Smyrna), Peter (Egypt)
Levett	Francis (Constantinople), Francis (Aleppo), Thomas (Aleppo)
Lisle	John (Constantinople)
Luard	William (Constantinople),
Lupart	Peter (Aleppo), Stiles (Cyprus)
Maltass	William (Smyrna), William (Egypt)
Masters	Richard (Smyrna)
Maydwell	Cutts (Constantinople)
Micklethwait	Nathaniel (Aleppo)
Moore	George (Constantinople), George (Salonica)
Morier	Isaac (Smyrna), Isaac (Constantinople), John Philip (Patras),
Olifer	John (Constantinople), (Salonica)
Parsons	Abraham (Scanderoon)
Phillips	Samuel (Smyrna), William (Smyrna)
Purnell	John (Aleppo), William (Cyprus), Edward (Latakia), John (Scanderoon)
Prior	John (Constantinople), William (Constantinople)
Radcliffe	John (Aleppo)
Sandys	Edwin (Scanderoon)
Sarell	Richard (Constantinople)
Shaw	Paggen (Smyrna), Jasper (Aleppo), Jasper (Scanderoon)
Shell	William (Scanderoon)
Shoolbred	John (Constantinople)
Smallwood	John (Connstantinople)
Smith	Charles (Aleppo), William (Aleppo)
Strane	Nicholas (Patras)
Straton	Richard (Aleppo)
Talbot Foley	Thomas (Constantinople)
Thornton	Thomas (Constantinople)
Tooke	Peter (Constantinople), Lenthienllier (Smyrna)

Turner	Timothy (Cyprus)
Usgate	Richard (Acre)
Vernon	Phillips Thomas (Aleppo), John (Egypt), (Tripoli)
Vondiziano	Antonio (Cyprus)
Wakeman	George (Aleppo), George (Acre)
Werry	Francis (Smyrna), Nathaniel William (Smyrna)
Wheake	Philip (Egypt)
Wilkinson	Robert (Smyrna), (Egypt), William (Bucharest)
Williams	Francis (Smyrna)

The pursuit of profit and power was also behind another conflict developing between the Salonica consul, Francis Charnaud, and the powerful member of the local factory, Bartholomew Edward Abbott.[78] Lasting for more than one generation, the conflict implicated their children as well: James Charnaud, appointed by his father as chancellor in Salonica, and George Frederic Abbott, a partner in his father's enterprises. It reached a highpoint in 1813 when Charnaud was temporarily suspended from office, accused by the company of neglecting his duties as he had failed to produce the accounts for consular revenues for more than five years. The fact that these five years coincided with a period of great prosperity for Salonica's trade, which also resulted in a significant increase in revenues for the British consulate, made the charge of negligence against Charnaud even more suspicious.[79] When he was suspended from office, Abbott was nominated proconsul (consul with extended powers or administrator). When Charnaud was eventually reinstated, after the intervention of powerful friends, he and Abbott became engaged in a bitter disagreement over economic returns. Their dispute was founded on accusations that the factory's finances were being mismanaged. Basically, Charnaud and Abbott could not agree on which of the two was entitled to the consular duties charged on the cargoes of two vessels that had begun loading their cargoes during Abbott's administration and had finished after Charnaud had returned to office. Abbott also complained that Charnaud had not paid to him a full year's salary – 2,000 piastres – but had only advanced him 1,844.37 piastres, which only corresponded to 11 months and two days' service.[80]

The rupture between the two men was fierce and was accompanied by allegations by both sides of irregularities in how the factory was run. Abbott accused Charnaud of having mismanaged consular duties while Charnaud blamed Abbott for having illicitly charged non-British subjects with the payment of a 2 per cent duty on the value of their merchandise.[81] He also went on to accuse Abbott's son George Frederic of contravening the company's regulations by forming G.F.

Abbott and Co with a foreigner, the wealthy Greek Salonica merchant, Ioannis Gouta Caftangioglou, who incidentally was George Frederic's father-in-law.[82] Fearing the conflict had gone too far and that the good name of the factory was at stake, the company intervened decisively, demanding from both adversaries that 'all the animosity which it [the conflict] produced will cease, and that both of you Gentlemen will return to such habits of peace and good neighbourhood with respect to each other as may secure the tranquillity of the Factory at large and prevent further injury to the reputation of the parties concerned in the Quarrel'.[83]

Evasion of Rules

The accusations exchanged by Abbott and Charnaud over the mismanagement of consular duties and the irregular levying of consulage on freemen and foreigners were not without foundation. Incidents of evasion of the company's rules and misinterpretation of the bylaws were frequent, evidence of a widening gap between central administration and local management. The variety of situations brought about by war, new methods of indirect and undercover trade and the opening of British trade to foreigners and Ottomans, which the consuls and other officials were called on to resolve quickly and efficiently, made this gap even wider. Guidelines and orders by the central headquarters often arrived late, leaving local officials to resolve various issues unilaterally, with them sometimes ignoring longstanding company regulations in the process. Francis Werry in Smyrna, Charnaud in Salonica and Peter Lee in Alexandria were three consuls who constantly disregarded rules and etiquette, to the great frustration of the company's administration and of British merchants operating in these ports.

The special significance of the Smyrna factory, considered by the company as 'the centre of our trade' due to the volume and value of its business, and the bold attitude of its consul, Werry, led to uneasy situations. The factory and Werry himself had more than once publicly criticised the company's decisions, causing embarrassment for and the reaction of the company's administration in London, which viewed the consul's behaviour as a 'public record of breach of private confidence'.[84] Werry, however, 'found it [his] duty to combat' for the rights and interests of the factory members and persisted in adopting bold and hazardous tactics that were often disapproved of and condemned by the company's administration. In 1803, when the French commissar of commercial relations in Smyrna Choderlos ordered the seizure of two cases of French caps at the customs house that were consigned to the British merchant house Lee and Sons,

Werry sent his dragoman to the Ottoman chief customs officer and insisted that the goods be sequestered instead by the Ottoman customs officer and kept at the custom house. Choderlos retaliated by sequestering five scorns of indigo shipped on the same vessel by another merchant but consigned to the same house, Lee and Sons. Choderlos informed Werry that he would keep the indigo as a guarantee until the caps were returned to him. Werry presented Choderlos with a formal declaration stating that the caps were not consigned to Lee and Sons but to a Frenchman, and he kept the caps as a guarantee for the release of the indigo; his uncompromising strategy was successful, as the indigo was eventually returned to the custom house by the French.[85]

In 1805, two members, Thomas and Joseph Wagstaff, complained to the company that Werry had sequestered effects and funds belonging to them that were in the hands of a British commercial house in Smyrna, Morier and Wilkinson, at the request of another Smyrna establishment, Anthony and Edward Hayes and Co. The consul had proceeded with the sequestration without any affidavit or other document from Hayes stating the sum that was due to them. The Wagstaffs claimed that Werry had no authority under any bylaw to order a sequestration. As it had many doubts about the legality of the custom of attachment for securing debts, the company sought the opinion of the solicitor general, Sir Vicary Gibbs, who opined that an attachment, either with or without the consent of the party in whose hands the property lay, was illegal. Werry was therefore called to release the Wagstaffs' property immediately.[86]

On another occasion, in 1811 Werry took the initiative to withdraw British protection from American ships arriving at Smyrna, forbidding them from hoisting the British flag upon entering the port. The move was denounced by Stratford Canning, British minister plenipotentiary to the Porte (1810–12), and stirred severe reactions from the Foreign Office.[87] Some years later, in 1815, the general court, by means of an order, blamed the ‘illegal and inconsiderate measure adopted by him [Werry] of stopping the goods of Ottoman subjects on board British ships at Smyrna’.[88] Werry was asked to immediately lift the sequestration of a cargo belonging to a British company, Lee and Sons.

In Salonica, Francis Charnaud found himself in the middle of a long controversy when he interrupted communications with London, keeping the factory isolated from the rest of the company for a long period amid a time of great prosperity for British trade in the city. This situation led him to be temporarily suspended from his position in 1814. Sometime after his reinstatement, he was once again implicated in an embarrassing situation when he was accused of

taxing trade according to his own judgment. ‘No suspicions of your own or intimations of others are to decide your conduct contrary to the evidence of Bills of Lading executed at Malta’, was the company secretary George Liddell's warning to him.[89] Charnaud was also heavily criticised for charging a 20 per cent broke on cargoes arriving at Salonica for transit to Germany.[90]

Throughout his term as Alexandria consul, Peter Lee was under close supervision by company officials because he regularly delayed the dispatch of manifests to London. He was also accused of fraud in the collection of duties on corn exported from Egypt.[91] Although he was given precise directions to invest the money he collected from duties and fines in goods and titles, Lee did not comply. In 1818, he was asked to immediately abandon his practice of charging an extra 50 per cent on duties on the pretence that the Spanish dollar was 50 per cent more expensive in Egypt.[92] On other occasions, he was instructed in no uncertain terms to avoid any modification of the company's regulations without prior permission.[93] In 1818 Lee was asked to invest whatever company cash he had on hand in rice and send it to the company's treasurers in Smyrna or Constantinople,[94] but William Wilkinson, the Smyrna treasurer, would repeatedly complain to London about the low quality and value of the rice that Lee had provided.[95]

The Bylaws, 1800–25

Several times from the late eighteenth century, the company modified its bylaws for the sake of clarity or to adapt the procedures and policies contained in them to suit new economic and political circumstances. The bylaws had never been extensive or exhaustive. The company's administration and the factory officials had instead to confront a great variety of complicated situations, many of which were not covered in the bylaws. On various occasions, some officials chose to act independently; others referred difficult cases to the company, which could postpone a solution by at least six months as it took that time for instructions to come from London. The misinterpretation of the bylaws was occasionally inadvertent, as officials and freemen sought to interpret the regulations to find solutions to particular problems. It could, however, also be intentional to serve private interests and provide personal benefits. Every time the company's administration became aware of unreasonable infringements of its bylaws, it denounced them and penalised the offenders.

Being mainly a company that regulated business transactions and

focused on profit, the Levant Company had to cope with an inherent contradiction in its role. This contradiction was exposed when the political and economic challenges of the eighteenth and the nineteenth centuries necessitated a flexible and intuitive approach to management. In 1819 the company's secretary, George Liddell, confirmed that the bylaws had failed to be ‘equally, satisfactory and permanent’ and were incapable of enabling a flexible, diversified and successful business environment. Their shortcomings had led the company to make ‘frequent alterations causing inconveniences’ and, thus, fell short of the freemen's expectations. While the company's administration sought to support the organisation despite its weaknesses, Liddell warned that the factories should not expect impracticable things from the company.[96]

The 1800 version of the bylaws were revised in 1813. In 1812, some months before their publication, Jacob Bosanquet, the deputy governor, referred once again to the limitations of these general rules, which the company expected would guide the company's officials in the performance of their ordinary duties.[97] According to Bosanquet, their proper application depended considerably on the ‘good sense and the conciliatory disposition’ of officials. After they were drafted by a company special committee and approved by the general court, the 1813 bylaws were published and sent to the factories in the Levant and to custom collectors in Britain.[98] In a very short time, however, the return of peace to Europe and the restoration of free navigation in the Mediterranean necessitated another readjustment of the company's regulations in order to support British trade and navigation in conditions of free competition. In the following years, some sections of the company's bylaws dealing with the rates of consulage and impositions in the Levant and in Britain underwent revision when the duties imposed on specific goods were reduced.[99] Company officials deemed these reductions necessary and sufficient to make British trade and merchant navigation more competitive. However, the more practical and experienced British merchants in Smyrna were of a different opinion, and in an extensive report presented to the company's administration in 1816, they described the problems faced by freemen in detail, demanding quick and efficient measures to be taken that would enable them to carry on their activity productively.[100] According to the Smyrna factory, the company's bylaws had been promulgated to serve the needs of a ‘suffering commerce’ during the French and the Napoleonic wars. They had thus offered facilities to foreigners who did not participate in the conflict and could thus assist British trade; this strategy had opened the company's trade to ‘all the nations’. The return of peace had now brought all foreign nations to advance their own commerce and

manufacture, while many of them still enjoyed the special privileges conferred to them by the company's bylaws. The company's members felt they were thus put on an inferior footing in comparison with foreigners – Ottomans included. The Smyrna factory requested the company to abrogate all bylaws that contravened the original meaning and the intention of the charter and to again limit the direct trade between Britain and the Ottoman Empire exclusively to its members. They called on Ottoman subjects, who out of political expediency had been allowed to participate in direct trade with Britain since 1797,[101] to be compelled to trade only through the agency of company members. They also called on company officials to have control over them to prevent them acting as a cover for foreign commercial houses wishing to trade under British protection.

The fourth and fifth bylaws allowing foreigners to import from any port or place whatsoever on payment of the same consulage as members should be confined to ‘foreign voyages’ only (meaning indirect journeys freighted by foreigners) as long as they were operated by British vessels and under British protection. The repeal of the 78th bylaw that allowed British subjects who were not members of the company to engage in direct trade with Britain through any Ottoman port was another demand; the Smyrna factory claimed this regulation had damaged the Malta trade considerably, as under normal circumstances non-members would have been obliged to conduct their trade through any port outside the company's jurisdiction and Malta was the most appropriate and important port en route. Another proposal from the British merchants was the reduction of the consulage paid by foreigners who transported merchandise on British vessels ‘to a rate approaching to that of other nations’ in order to sustain British navigation. They finally demanded the company reduce the consulage they paid for their business transactions in foreign countries and when hiring foreign vessels. The Smyrna factory report represented a most conservative position that, completely disregarding the development of new systems and techniques in international trade, insisted that the company maintain monopoly. The demands from the Smyrna factory must have been seriously contemplated by the company in London, as by 1817 a new revision of the bylaws was underway.[102] One of the major competitors to the British in the Mediterranean was Austria, whose duties in the Levant ports were much lower. Morier forwarded information on the Austrian duty rates to London, for consideration by a special committee preparing the revisions. This time, the company's stated objective was to match the new bylaws to existing circumstances, to strictly apply them and to secure ‘the carrying Trade in Turkey to the British flags’. When the revision was completed in July 1817, the company

reassured its consuls and members that the new consulage duties for the Levant introduced 'rates so low as to obviate all reasonable objection to the employment of British shipping on the plea of exhorbitancy of our charges'.[103] Another important innovation of the new bylaws was the abolition of the old 28th bylaw that allowed anyone to export merchandise from Britain and import it to the Ottoman Empire under British protection merely by touching at Malta. The revised bylaws replaced this clause with new rates of consulage charged on any goods exported from Britain on ships that touched at Malta, Gibraltar or any other intermediate port in the Mediterranean for reshipment to the Ottoman Empire. However, for some officials in the Levant, even these new reduced consulage rates were considered ineffective. According to Nathaniel W. Werry, appointed Smyrna vice-consul in 1817,[104] the new reduced rates still put members on a less advantageous footing than 'strangers', as Ottoman subjects were to pay only half of the going rates. The consulage on direct trade was increased, but was borne almost exclusively by company members, and not foreigners and Ottoman subjects who were almost entirely engaged in indirect trade. Although the new rates introduced by the company were deemed lower than the Austrian tariff, according to Nathaniel Werry they ought to have been reduced even further if British trade and navigation were to gain a comparative advantage against Austria and other important competitors in the Levant.

In 1818 the company once again considered a further modification of its bylaws. This time, it requested factories to suggest any changes that would facilitate and support their business.[105] The new version of the bylaws was sent to all company officials in the Levant in 1821, the delay caused in part by belated response from the company's factories to the persistent invitations to make suggestions.

The new bylaws came into force in Ottoman Empire on 1 July 1821. They reflected the new circumstances of trade in a country whose industrial sector was growing at great pace, which involved the consumption of more and cheaper raw materials and driving exports to unprecedented high levels. The management of the country's trade necessitated a different kind of organisation, under a unique, strong and recognised authority; this was a matter of pivotal importance with political, social and economic repercussions. In Smyrna, Francis Werry, the long-standing consul of the most important factory in terms of volume and value of activity, received in April 1821 some instructions on how to apply the new bylaws effectively and to the advantage of trade. Consulage was to be paid immediately to the factory's treasurer. The merchants and ship owners making entries of goods would be informed on the precise amount of the consulage they

had to pay as soon as possible and they would have two months to pay. If they failed to meet that deadline, they were to be reported as ‘defaulters’ to the consul, who would proceed against them. Werry was notified that the 39th and 40th bylaws declared the ‘extent of the judicial authority rested in our consuls’ while the 42nd provided for appeals against the decisions of consuls to the consul general, who would report thereon to the ambassador. Werry, who had many times in the past been criticised by the company for his idiosyncratic administration of the Smyrna factory, was reminded by the company to bear in mind that, according to the bylaws, consular decisions could be reviewed in the superior courts of England.[106]

The new 1821 bylaws reflected the company's retreat from the position of a powerful monopoly to that of an organisation entrusted by the Crown with the representation of British merchants in the Levant. The instructions sent to the Constantinople consul general, John Cartwright, defined a new restricted area of action and duty for company officials.[107] As regards the payment of duties and consulage in Britain and the Levant, the company directed clearly that the bylaws should be ‘strictly but not vexatiously executed’. This approach conformed to a gradual relaxation of the company's control mechanisms; it was in accordance with a perspective that put business first and allowed for a manipulation of the company's regulations according to circumstances. In the new bylaws, the company emphasised that it no longer had authority over certain major issues, most importantly over the actual exercise of consuls' functions. As it stated precisely, the Crown was responsible for the manner in which the consuls' authority was applied.

The company still held on to its right to choose the consuls in the Levant. This was a privilege that derived from its charter, which was still in force. It authorised the consuls to govern British merchants and to adjudicate in their disputes in the Ottoman Empire. As the 1821 bylaws made very clear, however, in ‘plain and unequivocal’ language according to Liddell, these disputes could only be of a civil and not a criminal nature. The company renounced completely its authority in criminal matters involving the British and foreigners under British protection and requested consuls not to undertake anything in this regard unless they had received written instructions to do so from the ambassador. As the company predicted in its letter to Cartwright, the government would soon be called to take action to resolve this legal void over the handling of criminal offenses involving British subjects in the Levant, thus ending an uncertain and perilous situation that jeopardised the safety of society in the Levant and the harmony of British–Ottoman relations. This reasoning practically opened the door

to officials at the Foreign Office and the Board of Trade to prepare an alternative plan for the country's representation under an authority that would succeed the company.

The Levant Company's Correspondence in the Eighteenth and Nineteenth Centuries

In the final phase of its history, the company's correspondence remained the pillar of its organisation and ensured the operation of its administrative mechanism in conditions of war. The company's postal system, operated by private agents hired by the company, offered its members a coordinated and safer mode of exchanging business correspondence. The company corresponded with the British ambassador in Constantinople, its consuls, vice-consuls, other factory officials and factory members in the Levant. During this period the company corresponded extensively with its custom collectors in ports and outports in Britain and Ireland. It also exchanged letters with the Board of Trade, Foreign Office, Treasury and Admiralty. The deputy governor, Jacob Bosanquet, exchanged letters with the prime minister, the foreign secretary, the president of the Board of Trade, MPs and British officials and consuls in Malta and Gibraltar and in the Italian ports of Leghorn (Livorno), Genoa and Messina. The company communicated with agents and commercial houses in Marseille and Nice, Bucharest, Brussels, Ostend, Dresden and Vienna. It also received from its officials the correspondence exchanged between the British ambassador and consuls with the Ottoman authorities, Ottoman circulars, memorials and other public documents, in ‘packets’ of documents that were dispatched regularly to London.

In the eighteenth century, the safe and prompt delivery of correspondence could not be guaranteed either by an overland or overseas mail service. Letters and parcels were very often lost or stolen en route.[108] These conditions obliged addressers to dispatch more than one copy of the same letter to the addressee and to send it using different couriers via different routes. For purposes of safety and economy, letters from London to various destinations (see *Table 3.2*) were collected and dispatched by the same mail service, which ran fixed schedules on arranged dates.[109]

Table 3.2 Destination of outward correspondence of the Levant Company, 1790s–1825

London	Acre
	Adrianople (Edirne)
	Aleppo
	Alexandria
	Algiers
	Bristol
	Brussels
	Bucharest
	Cairo
	Constantinople
	Dresden
	Dublin
	Enfield
	Falmouth
	Friston, Sussex
	Genoa
	Gibraltar
	Glasgow
	Greenock
	Grimsby
	Hertfordshire
	Hull
	Kent
	Larnaca, Cyprus
	Latakia (present-day Syria)
	Leghorn (Livorno)
	Leith
	Liverpool
	London
	Malta
	Marseille
	Messina
	Newcastle
	Nice
	Ostend
	Patras

Plymouth
Portsmouth
Salonica
Scanderoon (Iskenderun)
Smyrna
Southampton
Spithead
Tripoli, Syria (now Lebanon)
Venice
Vienna

The company's correspondence (letters and packets of the administration and private correspondence of its members) was forwarded through a regular mail service that linked London with Vienna and Constantinople overland. The company had hired agents in Vienna that received letters from Constantinople and London and forwarded them on to these two destinations. From London, the company's letters and those of its members were also dispatched to Constantinople from Leghorn by sea. From Constantinople, letters reached Smyrna via Tartar couriers or via officials, employees (dragomans) and merchants of the Smyrna factory who were sent to the capital for that purpose. The mail service to the Aleppo factory also carried correspondence for the company's factor marine – a post equivalent to a vice-consul unique to Scanderoon (Iskenderun) – and the Larnaca factory in Cyprus.

During wartime, the safe and prompt arrival of correspondence became a major problem for the company and its members. In the final phase of the Napoleonic wars in particular, correspondence arrived after long delays and communication was thus interrupted for long periods of time. This situation caused great problems for the company's administration, while business letters containing important information, bills and orders often arrived far too late.[110]

The company blamed this on the slow delivery of letters and packets from Smyrna to Constantinople, which in turn caused knock-on delays in the delivery of correspondence to London via Vienna. The administration accused the Smyrna factory officials of a lack of coordination in collecting post from local British merchants. As the company pointed out to Werry, the consul, it spent a considerable sum of money annually on couriers to transfer letters from one city to the other. Accordingly, the members were ‘entitled to expect that their correspondence will be conveyed upon the best practicable plan’.[111] Werry reacted by blaming the janissaries employed to deliver correspondence from Smyrna to Constantinople for the delays. As he

claimed, similar problems had been encountered by other merchant communities too. His argument was confirmed by an invitation addressed to him by the Russian and the Austrian consuls in Smyrna in 1814 to collaborate in the establishment of a common postal service to and from Constantinople. This initiative was expected to resolve once and for all the problems caused to the merchant communities by the slow pace of the existing postal service. According to Werry, the reason for these delays was the high cost of living, which pushed the janissaries carrying letters into operating an additional service of delivering merchandise; their constant stops on their way to Constantinople to deliver merchandise disrupted their schedule. The Smyrna factory agreed unanimously to support the Russian and Austrian initiative as long as the 'Greeks would join in'.[112] However, the project failed to materialise. The company instead instructed Werry to take severe action against janissaries who took on the delivery of merchandise while entrusted with British correspondence; some months later, he dismissed a janissary who had been in his service for many years. In a letter sent to the company's secretary, George Liddell, he expressed his doubts on whether this punishment would deter other janissaries. As he claimed, 'all our endeavors to prevent the jannisaries taking charge of goods has been ineffectual, some times twenty horses laden, of fine goods, precede them, the profits of which are considerable to them'. Hiring private messengers to replace the janissaries at the same or even less expense would be extremely dangerous, according to Werry, in as much as it would 'excite the jealousy of the janissaries and lead them to such revenge on the messenger by murdering him'.[113]

Three years later, in 1817, there were still problems in the delivery of British correspondence from Smyrna to Constantinople. While many janissaries had been dismissed by the British consul in the meantime, the money that could be made from the delivery of other merchandise 'is the cause frequently of the delay made up the road' as the 'caravans of 15 or 20 horses' covered the journey. Werry had appointed a factory committee to take charge and regulate the post and find the means 'to remedy the evil' of the constant delays.[114]

Since 1807, the company had asked its Vienna agent, Smitmer Bros, to look into the frequent delays in the delivery of correspondence to London.[115] The Smitmer company was asked to enquire at Vienna post office, where the Levant Company believed its post was being held up, as to why the company's post was arriving at London after long delays when the regular post from Vienna to London arrived on time. To see if this was the case, it asked Smitmer Bros to find an alternative and quick route through which it could direct the

company's correspondence undercover. John Green, the company's treasurer in London, proposed that post be forwarded to postmasters or private individuals in the towns of Tönning or Husum in Schleswig-Holstein on the North Sea. If Smitmer Bros had any reason to believe that the post would be detained in the post offices of these port cities as well, then they were to forward it by whatever route they thought more expeditious and the company would reimburse them all their additional expenses.

In 1814, a similar situation arose with the company's correspondence being delayed or lost en route to the Ottoman Empire or from Constantinople to London. The fate of business letters, orders and bills caused great anxiety for the company and its members, with public officials, diplomats and agents in different countries involved in the search for the company's astray correspondence. The problem was first noticed in August 1814, when letters sent to Austria through Bremen did not reach their destination on time. The company then requested the General Post Office (GPO) in London to contact the Hanoverian postmaster at Bremen to enquire whether the post had been lost there.[116] Hanover's diplomatic representative in London was also involved in the case, and after he made inquiries he reassured Francis Freeling, secretary of the GPO, that the company's correspondence had not been lost in Bremen.

In December 1814, several items of post sent from the Ottoman Empire for individuals and the company in London were still missing. This led the company's administration to ask Smitmer to establish the exact route that its correspondence from Constantinople to London took via Vienna.[117] Behind the company's request was a growing suspicion that the Vienna agents were in some way responsible for the delays in and occasional loss of the post. The company had reasons to believe that Levant correspondence reached Vienna in good time but was lost or delayed there or en route from Vienna to London. While Smitmer Bros provided the company with the exact dates of when post from Vienna to the Ottoman Empire and from Vienna to London was forwarded on, they had never revealed the exact course taken by the correspondence or whether any intermediate stations were involved. The company suspected that one possible cause for the delays was the complicated procedure of franking letters as they moved from one state to the next on their way from Vienna to London; while Smitmer Bros had correspondents in the Ottoman Empire whom they relied on to cover the cost of franking the correspondence as it moved from Constantinople to Vienna, the procedure of paying for the franking for the Vienna–London route remained rather obscure. What the company came to realise was that letters sent to individuals in London directly

by regular post were delivered more quickly and safely than the correspondence of company's members that was addressed via special agents in Vienna or elsewhere.

In the following months, George Liddell, the company's secretary, remained on the trail of the company's correspondence, which continued to go missing, in collaboration with the GPO and with the assistance of commercial firms in Brussels and Ostend. As more and more letters went missing and the case became increasingly complicated, the company requested the help of the GPO postmaster.[118] The company had learned that other correspondence sent to Vienna from Constantinople reached its destination; one of its members arranged to have all his letters sent undercover to a commercial house in Amsterdam and from there to London. More evidence that regular correspondence was not affected was the arrival in London of bills and orders issued on the same dates as company correspondence that later went missing. In January 1815 the company requested a Brussels commercial house, Messrs Engler and Co, to assist it in its efforts to locate the missing letters.[119] The merchants were required to enquire at the Brussels post office and among the Flanders merchant community. In the event that they found the letters, they were to address them to Liddell via Holland. ‘The letters from Turkey which being marked in quarantine are easily distinguished, are the object of my inquiry,’ Liddell explained to Engler and Co, ‘but as the company are always desirous to assist the Community I request you will send to me all the detained letters for England under my cover and giving me notice of the expenses which will be paid to you.’ In February 1815, John Theophilus Daubuz, a member of the company, requested Messrs Bas de Bal and Co of Ostend to use their influence at the city's post office to see if the wayward correspondence had been held up there; if this turned out to be the case, Bas de Bal and Co was to convince the post office to forward it to London at the earliest convenience.[120] If the post office had the correspondence, then it was to forward the post itself using passage vessels through Calais or Hellevoetsluis in South Holland. The firm would be reimbursed for its services.

The saga of the missing correspondence between August 1814 and February 1815 pushed the company to review its communications system and to consider an alternative that would use the regular mail in collaboration of the GPO. The general court suggested that in future it would be better to send post via Holland, not Hamburg, in order to avoid any collaboration with ‘private individuals’ acting as intermediary agents and to rely instead on the British postal service. If the GPO came to a direct understanding with the imperial post office

at Vienna, delays arising from the need to frank post from one state to the next on the continent would be avoided.[121] For some years the company continued to rely on private agents to transfer its correspondence through Vienna. In 1819 the Viennese banking house John and George Schuller and Co replaced Smitmer Bros.[122] Schuller would receive and forward the dispatches of the company and the letters of its members addressed to them, 'with the least possible delay'. They would be paid for their services the sum of £50 annually by the treasurer in London, J.T. Daubuz. They would also be reimbursed for postage on the company's account in Constantinople. The company's members would reimburse themselves on their own accounts. Schuller was to name a correspondent in France to whose care the correspondence would be addressed in case 'contrary winds' did not permit the delivery of mail to Hamburg. The new agents were no more efficient than the previous ones, and in a few months the company had to address the problem of unreasonable delays in its mail service, which was continuing to cause 'serious inconvenience' to its members.[123] This time the delay in the arrival of the company's correspondence from the Ottoman Empire had left all letters addressed to its administration and members since September 1819 unanswered, as the post to the Ottoman Empire had left London on 15 October, only one day before the arrival of the company's packet from Constantinople via Vienna.

Once again the company's secretary contacted Freeling of the GPO, reviewing in a long letter the company's mail service system as it had operated in the previous decades.[124] 'For a century past', Liddell said, 'letters for England have been forwarded twice in the month from Constantinople to Vienna by a courier under the control of the Austrian ambassador and in like manner from Vienna to Constantinople but recommended to the care of an agent at Vienna.' According to Liddell, the company's members generally employed the company's agent, although some of them hired their own correspondents. While it was generally considered necessary to employ a Vienna resident as an agent to whom correspondence to be forwarded to Constantinople and London was addressed, the company's experience had proved that this system did not function and the company's mail was systematically delayed and lost. To remedy this inconvenient situation, the company asked Freeling about implementing the general court's suggestion of some years before, namely whether an arrangement could be established between the GPO and the imperial post office at Vienna 'for the security of the correspondence with Turkey'. Liddell argued that this type of collaboration between the company and the GPO would be advantageous for national revenue and trade.

During this period of intermittent war and competition, another of the company's major concerns regarding its correspondence was ensuring that the content of the communications remained secret during their long journey until they arrived at their destination. Thus, the company protested strongly when it learned that the Leghorn and Malta port health offices opened letters from the Ottoman Empire in order to air them before they were delivered to their intended addressees in Leghorn, Malta and London. London received reports from freemen expressing their alarm and annoyance at finding that their business correspondence had been opened, a practice the company said was unacceptable as it exposed the management and the business interests of its members to enemies and competitors. It therefore communicated with John Falconar, the British consul in Leghorn, and Sir Thomas Maitland, governor of Malta, and demanded their collaboration in order to end an ‘injurious practice’.[125]

The company took confidentiality very seriously in matters of administration as well: for this purpose a committee had been formed to receive and examine secret correspondence. This was revealed by its deputy governor, Jacob Bosanquet, in a letter to John Cartwright, the new consul general in Constantinople, in 1818.[126] Bosanquet, who was also the East India Company's deputy governor, was keen to be kept abreast of information relevant to the Levant or East India companies; he therefore instructed Cartwright to send him directly any information that he considered confidential or to forward his correspondence to the company's ‘secret committee’.

PART 2

CORPORATE AND INDIVIDUAL STRATEGIES: THE TRANSITION FROM MONOPOLY TO FREE TRADE

CHAPTER 4

BRITISH TRADE IN THE LEVANT: THE HISTORICAL BACKGROUND

Since the company's early years, the business of freemen comprised mainly the import and export of goods from Britain to the Levant and back. They exported cloth, lead, hides, herrings and tin and imported raw silk, cotton, mohair and woollen yarn, carpets, drugs and pigments, spices and currants. English cloth in considerable quantities was sent to Constantinople together with lead, tin, furs and drugs to be exchanged for mohair, Persian silk, grograms, gold, pepper, carpets, indigo and cinnamon. In Aleppo, the factory traded English cloth for Persian silk and other Persian goods, cotton, galls and drugs. Cotton wool was imported in great quantities from Cyprus and Smyrna and forwarded to Lancashire for use by the local cotton industry. Currants were imported from the islands of Kefalonia and Zante (Zakynthos) and from Patras in the Morea.[1] From its foundation in 1600, the East India Company influenced dramatically the Levantine trade, as high-quality and cheaper products arrived in London from Asia, outselling similar commodities brought from the Levant: spices, drugs, raw silk, silk products and cheap calicos flooded the market, sometimes creating a glut. The arrival of large cargoes belonging to the East India Company was followed by the transhipment of a portion of them to the Levant.[2] Although a close connection was established between the two companies through dual membership, representation by the same agents in the Levant and some high-ranking officials alternating in positions of authority from the one company to the other, their spheres of interest often overlapped. In their long parallel history, the two companies clashed several times in disputes over their privileges and areas of authority. Such incidents caused tension and severe antagonism between their members, requiring eventually the intervention of the public authorities.[3] This was what happened in the late seventeenth century when the East India Company attempted to divert the Iranian silk

trade through Aleppo, managed until then by the Levant Company.[4]

In the Mediterranean the English merchants had to compete with the Venetians and French, who had monopolised the Levantine trade by the end of the sixteenth century, and the Dutch, a new powerful adversary from the Atlantic.[5] The contraction of Venice's central economic and political role in the eastern Mediterranean following consecutive defeats by the Ottoman Porte, and the shrinkage of its territories in the area, reinforced the position of the Dutch and the English in the second half of the seventeenth century.[6] The superiority of these two nations over the French in shipbuilding and navigation was soon evident. During this period, Dutch and English ships carried three times as much as the French, whose expansion was further impeded by the organisation of French trade, which was operated by a closed group of merchants and controlled by the Chamber of Commerce of Marseille, political instability and war.[7] In 1626 only two French commercial houses remained in Constantinople and by 1635 the volume of the French trade in the Levant had diminished considerably. The downfall continued and by the mid-seventeenth century, the entire French trade, which in 1610 had occupied a thousand ships, now engaged only 30.[8] French decline and the Venetian retreat from the Mediterranean cloth trade were instrumental in the increase of English trade from the early seventeenth century: the English exported woollen broadcloths and imported local products.[9] By 1626 the Levant Company was exporting goods to the value of £250,000 per annum to the Ottoman Empire and imports were equally important. English cloth was the most common export commodity; by 1635, 24,000–30,000 pieces were being sent out to the Levant yearly, half of them to Constantinople and the rest to Aleppo. English trade in the Levant was developing quickly to overcome the Dutch and the French, although competition from the former remained a serious menace to the Levant Company.[10]

In the second half of the seventeenth century the company underwent a period of internal crisis that led eventually to its reorganisation and to a new period of prosperity. From the 1660s the company had to cope with the illicit activity of many of its members, which had caused the collapse of its finances, the closing down of factories and the curtailing of business.[11] The new charter of 1661 was expected to regulate the company's organisation more rationally and effectively, preventing or checking the abuses of members and officers. Together with the renewal of the English capitulations in 1675, the charter inaugurated a new period for the company during which trade expanded. Also contributing to this prosperity were the navigation acts of 1651 and 1660 and the Anglo–Dutch wars of the

next 25 years, which were severe blows to the maritime supremacy of the Dutch.[12] English cloth exports of the period reflected these trends: in the six years from 1666, 82,032 items of cloth were exported to the Levant, an average of 13,672 pieces each year. In the following six years, from 1672–7, 120,451 items of cloth were sent to the Levant, a number that increased to 117,914 from 1678–83.[13] However, towards the end of the century a combination of adverse conditions reversed this short-lived prosperity; the revival of Dutch competition, the restoration of the French cloth industry through a series of protectionist policies by finance minister Jean-Baptiste Colbert, and the effects of the competition with East India Company hampered the company's trade.[14]

The outbreak of war with France in 1689 and the defeat of the Anglo–Dutch fleet by the French, damaged English trade and shipping for a period.[15] After the end of the war, the exports of the Levant Company merchants regained their dynamic, despite competition from the French and the East India Company. Throughout the war of the Spanish succession (1701–14), the company retained its position in the Levant thanks to the supremacy of the English fleet in the Mediterranean.[16] The company managed to maintain the position it had gained in the Levant trade after the Restoration, but in 1730 the first signs of a rapid decline became visible.[17]

One of the reasons that contributed to the decline of the company's trade in the middle of the century was the development of an indirect trade of Levantine goods via Leghorn, in which many of the company's members participated. Although the 1660 Navigation Act prohibited any form of indirect trade, a specific clause in the act allowed for the Levantine trade transported through Leghorn to thrive. During this period Leghorn became the major *entrepôt* of the Mediterranean, where English, French and Dutch Levantine trade was channelled to be forwarded to various other countries.[18] English and Italian merchants bought Levantine goods to Leghorn and sent them to England, while Greeks, Jews and Dutch bought English cloth, selling it afterwards in Smyrna and other Ottoman markets.[19] This indirect trade inhibited the activity of those freemen who remained faithful to their oath to the company and also reduced the company's revenue from duties and consulage. It therefore became the subject of a conflict between the Levant Company and the English ‘Italian traders’, which led to an exchange of pamphlets vindicating each group's position.[20] The decline of its finances led the company in 1744 to raise the duty imposed on imports to the unprecedented figure of 4 per cent and on exports the amount of 7 per cent. Double impositions were also charged by the company on goods imported into England.[21]

Throughout the eighteenth century, the competition between the French and English became particularly severe, leaving behind the efforts of the Dutch, Russian and Italian merchants.[22] Anglo–French rivalry concerned primarily the textile trade and was triggered by the growth of the French textile industry and the production of cheap goods traded extensively throughout the Ottoman realm.[23] At the same time the French specialised in the production of woollen, cotton and luxurious cloths with particular appeal to the Ottoman upper class.[24] By 1744 the French had more than 200 large vessels, as well as 400–500 smaller ones, engaged in Ottoman trade whereas the English seldom sent more than ten ships annually to the Levant.[25] The Russian–Persian war (1722–3), which interrupted the Persian silk trade and the attempt of the English Muscovy Company to open up an overland trade with Persia, delivered another significant blow to the trade of Levant Company freemen.[26]

The wars of the second half of the eighteenth century against Spain (1739) and France (1756) and the American revolutionary war (1776–83) further contributed to a decline of the Levantine trade.[27] The ambassador, Robert Ainslie, wrote in 1779 that trade had been totally interrupted and that not a single English ship had reached Constantinople for eight months.[28] And yet, for the critics of the Levant Company the success of the French competition and the sharp decline of English trade in the Levant was due more to its outdated organisation, the constraints posed on free trade and its narrow monopolistic spirit than to the international conflicts of the period. It was hoped that the abolition of general shipping in 1744 and the lifting of barriers on membership in 1753 would give a boost to the company's trade through reform and modernisation; it was also the company's answer to its liberal critics who, since the beginning of the eighteenth century, were waging a campaign against it.[29] In fact, the number of English ships arriving at the ports of the Ottoman Empire increased alongside the number of new members.[30] Despite this, it was not until the 1770s that there was some sign of prosperity.[31]

The passing of an act in 1780 permitting the import of Levant goods on English or foreign ships from any port during the American war helped the company to overcome the negative impact of the war by utilising neutral ships.[32] After the war, trade revived slowly but this time the company had to face increasing competition from the Dutch, Germans, French, Italians and Russians. Towards the end of the century, the company was performing poorly in the Levant, which was viewed with great scepticism by the English government while free-trade advocates continued to undermine its outdated mechanisms.[33] English manufacturers and independent merchants continued to

criticise the company's elitist identity and monopolistic practices; at the same time British interlopers imported cotton wool from Holland and silk from Leghorn in greater quantities, free of restrictions and obligations. Although the company's charter banned their trade, they found ways to evade fines charged by the company, send their goods to the Levant on English and foreign vessels, get commodities to the London markets through Leghorn and Holland and even collaborate with freemen.[34] The rates of consulage and duties charged by the company were reviewed various times to meet with the company's need for cash to cover its expenses. By the late eighteenth century, the number of factors in the Levant Company's factories had diminished considerably despite the fact that overall membership to the company had augmented.[35]

From the late eighteenth century until the company's dissolution in 1825, British trade in the Ottoman Empire went through a phase of great instability, with periods of high revenue alternating with periods of low turnover and inactivity. This instability is evident in the balance of British trade with the Ottoman Empire from 1793 to 1825 (see *Table 4.1*) that, compiled from data from different secondary and primary sources, portrays the fluctuations of business transactions.

From 1793 to 1815 Britain was at war with France almost continuously and hostilities between the two countries ceased only for one year, in 1802. Britain's war strategy was determined by its naval supremacy and consisted mostly of sea combat and naval blockades.[36] In the Mediterranean, one of the most important theatres of the war, the conditions for trade were overturned and some of the major ports of call for the continental trade in France, Italy and Spain were blockaded either by the French armies or the British navy. The sequestration of rival ships, piracy and contraband activity completed the setting. With the Berlin decree, issued on 21 November 1806, Napoleon brought into effect the continental system, a policy aimed at eliminating the threat from Britain by closing French-controlled territory to its trade.[37] It was his reaction to the British naval blockade of the French coast enacted on 16 May 1806. The worst period for British trade, however, began in 1796 when Spain declared war on England after coalescing with France. During that period, the Mediterranean became completely inaccessible for the British navy and merchant marine. After this slump in the company's trade, conditions improved following Napoleon's Egyptian expedition in 1798, which led to the return of the British fleet to the Mediterranean under Nelson, and to a naval victory. Trade was once more possible and the struggle in Egypt increased the Ottoman demand for British goods.

Table 4.1 Balance of British trade with Turkey, 1793–1825

Year	Exports to Turkey (£)	Imports from Turkey (£)
1793*	45,270	184,681
1794	117,700	324,906
1795	149,938	84,299
1796	132,776	150,182
1797	23,532	104,838
1798	56,585	42,285
1799	200,505	33,091
1800	157,450	199,773
1806	129,695	136,153
1807	19,167	113,258
1808	13,686	57,357
1809	101,860	184,920
1812**	311,029	243,804
1816	299,241	–
1817	–	186,289
1818	806,530	369,052
1820	551,791	417,158
1824	747,738	746,848
1825	633,147	1,207,035

In the meantime, the British naval blockade of all French-controlled coasts hindered the French textile trade in the Levant as it dislocated French trade routes and gave British shalloons the possibility to outrival French light woollen cloths in Ottoman markets. Between 1799 and 1801, the British possessed a virtual monopoly of the Levantine markets, with the Dutch and the Italians, who had come under French domination, seeing their trade diminishing considerably.[38]

In 1807 Britain was dragged into a two-year war with the Porte in support of Russia. The erstwhile allies turned against each other when the Ottoman Empire coalesced with France against Russia. The outbreak of war hindered for a time the expansion of British trade, which had benefitted from the previously favourable conditions. The war ended with the Treaty of the Dardanelles, signed in January 1809. Peace opened a new period of prosperity for the company, one that was destined to be the last chapter in its long history.[39] By 1809, as a result of the prolonged struggle in Europe, all the company's rivals in the Levant market had either disappeared or been excluded by British sea power.

In the meantime, economic warfare between the two major rivals continued, although the French continental system slackened due to military shortages and lack of organisation in French territory. In addition to this, many French-dominated states engaged in illicit trade with British smugglers.[40] Both sides entered into additional conflicts in an attempt to enforce their respective blockades; the British fought the United States in the war of 1812 (1812–15) and the French engaged in the Peninsular War (1808–14).

During the French and the Napoleonic wars, British Levantine trade followed new routes and itineraries, most of them revolving around Malta. Its success, partly at the expense of French and other European trade, was due to collaboration with foreigners and Ottoman merchants who were offered the possibility of trading as British protégés, enjoying the privileges of British subjects and company members. The opening of the company's trade to foreigners was made possible by the modification of the British navigation acts in the late eighteenth century and the introduction of special regulations in the company's bylaws. The strategy was successful as it brought significant results. In 1812, British exports to the Ottoman Empire totalled £311,029 – the highest figure since the seventeenth century,[41] and further expanded after the Napoleonic wars.[42] By 1815 the receipts of consulage collected by the Smyrna treasurer were reported to be greater than those taken half a century earlier, totalling 150,831.35 piastres (collected from 1 June 1814 to 31 December 1814). Despite this, the consulage derived from trade involving Ottomans and foreigners was double the amount paid by British subjects.[43]

In the following years, the trade of British textile goods worldwide expanded dramatically.[44] The immense growth of the British textile industry resulted in a vast increase in the exports of cotton yarn and textiles to the East.[45] The expansion of the industrial sector demanded more raw materials and new markets for finished products: the vast Ottoman Empire could provide both. Prosperity experienced a temporary setback due to the Greek revolution in 1821 and the ensuing Greek–Ottoman war[46] but picked up powerfully in the 1830s.

CHAPTER 5

NEW TRADE ROUTES AND ITINERARIES

From the late eighteenth century, the Levant Company operated within a new system of Mediterranean trade and navigation that developed under the influence of a combination of political and military events, geopolitical and economic parameters.

This new system of trade evolved around a new operational centre – Malta – and extended to adjacent seas and continents, the Atlantic and United States to the west, the Black Sea and the southern Russian ports in the northeast, and the Balkan routes leading to the Habsburg Empire, the Adriatic and the Ionian seas; a variety of newcomers – British, Maltese, American, Russian, Greek Ottoman subjects, German and Italian – participated in this interwoven fabric of commercial transactions. While most of them operated independently, sometimes they engaged in collaborations with Levant Company members.

The development of Malta into a free transit port under British authority and a major Mediterranean *entrepôt* for British, foreign and Levantine commodities determined the routes, methods and volume of British Levantine trade. The opening of the Black Sea to British and European flags gave free access to the ports of southern Russia, from where corn and timber were transferred to Malta and to various other destinations. However, despite the major geopolitical importance attached to the issue by the British government, the company's operation in the area was minor and, throughout the period investigated, the valuable corn trade remained in the hands of independent British merchants, Anglo–Maltese subjects and mostly Greeks. On the other hand, the port of Salonica had a thorough British presence. Through the establishment of a trade channel that linked London with Malta and the port of Salonica, British manufactures and other commodities were transported to the Habsburg Empire over Balkan land routes. This strategy gave a decisive blow to Napoleon's continental system and rendered Salonica a major junction for the delivery of British commodities to continental Europe. Another

significant development for the company's trading activities was the vibrant appearance of the Americans in the Mediterranean from the late eighteenth century. The neutral American fleet re-exported colonial goods to ports blockaded by the French and, by obtaining British protection patents, was allowed to operate in the Ottoman Empire, transporting Levantine goods to London and the United States. American merchants collaborated with British commercial houses in many Ottoman and western Mediterranean ports.

The end of the Napoleonic wars and the return of peace to Europe released Mediterranean trade and navigation from restrictions and blockades. Free trade entailed methods of organisation and transaction, new regulations, free partnership, flexibility and boldness. The establishment of a new balance of power in Europe and its territorial configuration in the Mediterranean area, together with the unprecedented growth of the British industrial sector, had an effect on the direction and the volume of British Levantine trade. Faced with yet another major challenge, the company went through a period of introspection and reform, striving at the same time to protect its identity and retain its privileges. It was, however, gradually driven to the margin of political developments by the Foreign Office and the Board of Trade.

The Malta Trade

Malta's geographical position, situated at almost equal distance from Gibraltar and the coasts of Syria, on an imaginary axis dividing the western from the eastern Mediterranean, turned the island into an area of key significance for Mediterranean trade and navigation from the beginning of the nineteenth century.

Being offered to the Knights of the Order of St John of Jerusalem by Charles V of Spain (as king of Sicily) in 1530, Malta remained under the control of the order until the late eighteenth century, with the Kingdom of Sicily holding a right of sovereignty over it. In 1798 Malta was occupied by Napoleon's forces as they advanced towards Egypt. The capture by the French and the ensuing protests of the islanders led the Kingdom of Sicily to sign a collaboration agreement with Britain and Russia to support the indigenous population and expel the French. When, a year later, the French left Malta, the island was placed under British protection. Until the end of the Napoleonic wars, it was a British commercial and naval base in the Mediterranean. In 1801, a civil commissioner was appointed as governor by the Colonial Office and, in the same year, Valetta was declared a free port.[1]

This resolution was not implemented immediately, as during the peace of Amiens, the Order of St John was restated briefly and Malta was put under the protection of five European powers. When hostilities between the British and the French resumed, Malta returned to its previous state under British administration until 1815, when it was annexed by the British Empire. During the Napoleonic wars, Malta became the most important Mediterranean *entrepôt* for British and Levantine commodities, replacing Leghorn (Livorno) which was occupied by the French.[2] It also developed into a principal centre for transit trade, where freight, insurance advice and commission agreements were transacted and it became a port of call for the provision of convoys, merchant vessels and the navy.[3]

The integration of Malta into the system of British trade was bound to dramatically influence British Levantine trade as well. The Levant Company's structures had to adjust to the new circumstances of indirect trade, measure up to the new opportunities and encompass new forms of partnerships. New consulage regulations were also necessary to control and exploit the expansion of Malta's trade in the area within the company's jurisdiction.

From the late eighteenth century, ships from London stopped off at Malta or loaded cargoes at Valetta while en route to Ottoman ports, as the company's consuls noted in their reports. British merchants, members of the Constantinople and Smyrna factories, were often the consignees of merchandise arriving from the island.[4] From the beginning of the nineteenth century, a number of Maltese vessels were reported to have entered the Black Sea en route to southern Russian ports, where they loaded corn for the account of the British government and individual merchants.[5] This trade network, which provisioned Malta and London with grain and foodstuffs, became all the more important in the following years with Maltese and British, but mostly Greek Ottoman subjects being involved in the business.[6] Having fled to southern Russia from the Ottoman Empire after the two Russian–Ottoman wars (1768–74 and 1787–92), many Greek merchants established themselves in the ports of the Black Sea and Azov and took over the trade between these areas and the Ottoman Empire. Merchandise was transported mostly on the vessels of an emerging Greek Ottoman fleet.[7] Greeks collaborated with Maltese and Anglo–Maltese enterprises and carried grain to Malta and, from there, to other Mediterranean countries and London. Their prosperous activity expanded through networks covering the whole Mediterranean area and went on until the late nineteenth century, when Greek commercial houses with branch offices in London delivered corn to the British capital and exchanged it for coal.[8]

For vessels transporting grain from southern Russia to Malta and Britain, Constantinople was the most common port of call on their way up and down the Black Sea, providing the company's representatives in the city with an additional bureaucratic and customs workload that was ‘separate’ and ‘unconnected’ to the Levant Company.[9] The consul general, Isaac Morier, kept the company informed about this new wave of Anglo–Maltese vessels arriving at Constantinople on their way to the ports of southern Russia. His letters described a situation that had started weighing negatively on the company: by 1807, a total of 60 British merchants and commercial houses had been established in Malta that, together with another 30 Maltese merchants granted British protection, had embarked on various business transactions in the Levant. The majority of them operated as independent merchants on commission or represented important British commercial houses that had no connection with the company.[10] Although in 1806 a British merchant resident in Malta, William England, received from the company a power of attorney that enabled him to administer the freeman's oath, it would seem that those British merchants who had chosen Malta as their Mediterranean operational base did not wish to get involved with the company.[11] This British community, with its significant volume of transactions, seriously threatened the interests of the company and its members, as it was organised at the centre of British export trade in the Mediterranean.

In 1806, the continental system introduced by the French reinforced Malta's position in the Mediterranean and triggered a period of extraordinary prosperity for the island that lasted until the end of the Napoleonic wars. From Malta, Britain launched its strategic counterattack on French commercial warfare. British exports arrived at Valetta in increasing numbers, reaching the unprecedented value of £3 million in 1808 and a peak of £5 million in 1812.[12] British manufactures and colonial products were deposited in the port's warehouses, reshipped to British, Greek Ottoman, American or other foreign neutral vessels, and re-exported to various destinations in the Mediterranean and the Atlantic. British and neutral vessels loaded Levantine and continental goods in Malta and carried them to Britain. The island's British merchant community grew considerably, augmented by new arrivals from London and the Mediterranean ports under French occupation. Malta became a transaction centre for mercantile agreements and an intermediary station for the distribution of commercial correspondence from all around the Mediterranean to Britain and back. With the Orders in Council in 1807, Britain launched an offensive against the continental system, stopping and controlling all foreign and British vessels navigating in the Mediterranean unless

they could produce British trading licenses.[13] From Malta, vessels of British and other nationalities could obtain these trade licenses that protected them from seizure by British vessels and the Royal Navy, which was pursuing enemy ships in the Mediterranean and Atlantic.[14] The ships under license could not exceed 100 tons, one-third of their crew had to be British and two-thirds of their cargo needed to be British goods and colonial products traded by British merchant houses. Although it obstructed the merchant navigation of neutral nations, the license system impeded French trade and imposed British discipline on merchant navigation in the Mediterranean; it also further contributed to Malta's key significance as this was the place where vessels could obtain their licenses.

The publication of the orders raised for the first time the issue of the Levant Company's positioning inside a new system of trade regulated by warfare and government directives. The Board of Trade, recognising the company's interest in the proceedings, solicited its opinion and directed that copies of the orders be sent to its administration for consideration. When dispatching them, the board's secretary, Stephen Cottrell, attempted to understate their importance, claiming that they made no reference to the Levant trade and therefore could not intervene with the company's proceedings.[15] Despite this, the president of the board, Lord Auckland, invited the company's administration to personally present him with their ideas and suggestions on the subject. Auckland also wished to know whether the company believed the orders would damage its interests in the Levant. The company reacted promptly and Jacob Bosanquet, its deputy governor, was delegated to prepare a report with proposals that would guarantee the company's privileges and rights within its jurisdiction.[16] The company had to decide its official position towards the indirect trade operating from the Levant through Malta's transit port. It had to assess the consequences of new forms of partnership, methods and routes of trade for the activities of its members. It also needed to decide whether goods to and from Malta would be charged with the payment of consulage in the Ottoman ports, the grounds on which the company's duties would be imposed and their rates.

In a letter sent to the Smyrna consul, Francis Werry, in 1809, the company administration articulated its official stance towards the Maltese trade.[17] Werry had protested against this indirect trade on the grounds that it prejudiced the business of the Smyrna freemen. The company admitted on the occasion that it was not within its power to impose any restrictions whatsoever, and although it was fully aware that the trade with Malta was extremely detrimental to that carried out directly with Britain, it was not possible to prevent it. Any attempt

to embarrass the Malta trade 'by withholding assistance and protection when required of us or by demanding a greater sum for consulage than that received by foreigners would make things even worse'. Werry was asked therefore not to interfere with the trade to and from Malta, 'unless especially requested so to do by the parties interested', and in no case whatsoever to act against the company's instructions by exacting higher consulage.

The company's consulage policy on Malta trade was not settled right away but only after discussions between the administration, officials and members' assemblies. A 1 per cent levy on the goods traded was contested by the Constantinople assembly in 1806 as excessive. The assembly proposed in its place that imports from Malta to the Ottoman Empire be charged with half the consulage usually levied by the company on goods imported from British dominions.[18] This recommendation was driven by economic motivations as, by that time, many of the company's members were already involved in the Malta import–export trade and a high rate of consulage would weigh on them negatively. In their arguments submitted to the company's administration, they followed a political reasoning as well: since Malta had not been ceded by treaty to Britain, Valetta should still be considered as a foreign port and the corresponding duties charged. If the island was to be considered a British dominion, then the Maltese merchants would have to trade in the Levant under the jurisdiction of the Levant Company. If they chose not to become members, they would then have to be charged by the company with the broke of 20 per cent on the value of their trade like all the other British non-freemen subjects. This measure, the British merchants maintained, would inevitably cause severe reactions from Maltese subjects and would have political consequences. The assembly's approach was also supported by independent British, Maltese and other foreign merchants trading from Malta, who insisted that their trade with the Levant should not be charged by the company as if the island was a British dominion.[19]

The company eventually adopted the policy recommended by its members and charged Maltese trade with a rate equal to that levied on foreign ports. Instructions were sent to the treasurers in the Levant to apply in Malta's case bylaws two, three and five, concerning imports and exports to the Levant via foreign ports.[20] All goods imported from Malta by British or foreign subjects in British ships or ships under British protection would pay half the consulage payable on goods imported from Britain or any British dominion according to the company's tariff. If the goods were transported by foreign vessels, they would pay only one fourth of the consulage payable on goods

imported from Britain or any British dominion. Finally, all goods exported from the Ottoman Empire (Egypt included) to Malta by British or foreign subjects in British or foreign ships would pay a consulage of 2 per cent.

The instructions sent to the Levant officers were meant to fix rates and settle the issue permanently. However, the intense and complex commercial activity carried out between Malta and the Levant confused some of the officers and led others to intentional misconduct to make a profit. On a number of occasions, merchants, commissioners and ship owners trading through Malta were charged inflated rates or penalised with the imposition of the 20 per cent broke. This happened in Smyrna and Salonica, the two ports most actively involved in the Maltese indirect trade from 1808 to 1812. The cities' consuls, Francis Werry and Francis Charnaud, were reproached by the administration in London for their incorrect actions and were instructed to compensate the firms they had overcharged.[21]

Despite the company's efforts to sort out its connection with Maltese trade, the levy of consulage was not an easy process as the majority of merchants, being non-freemen, refused to recognise the company's authority over their activities.[22] Many of them avoided the charges and any collaboration and partnership with freemen and factors and hired foreign instead of British ships.[23] Starting in 1806, Isaac Morier informed the administration of the problems that Levant officers encountered when attempting to impose the company's jurisdiction on the merchants trading from Malta. The freemen's assemblies in Constantinople and Smyrna had also explained in their letters to London the pointlessness of imposing duties on a trade that was mostly carried out by foreigners in foreign vessels; as they argued, to collect duties from such a trade would require Malta to be universally understood and acknowledged as part of the British Empire, but even then ‘the Malta natives and the foreigners established there who traded in the Levant would prefer sending their goods by foreign ships in order to avoid the consulage payable to British ships’.[24] If that island was to become a constitute part of the British Empire, Morier suggested, it would then make more sense to levy duties at Malta and not at the Ottoman ports. The company could facilitate this process by employing a person that would be stationed at the customs house in Constantinople and register arrivals and departures to and from Malta (See *Tables 5.1a* and *b*). These data could then be dispatched to a local customs collector in Malta hired by the government and to London.[25]

In the following months, Morier provided the company with information on vessels and cargoes arriving from or departing for

Malta (see *Tables 5.2a* and *b*). These documents differed from ordinary manifests as they contained information concerning only the ship's identity, its provenance and destination and its cargo. The material was probably utilised in the crosschecking of entries and departures in Britain and Malta, but it is not clear for how long this system lasted. The lists sent to London between February and April 1810, presented below, are indicative of the type of data collected and dispatched by the consul general to his principals.[26] They also give a picture of the type and quantities of goods traded between Malta and the Ottoman ports during this period.

Table 5.1 Arrivals and departures (Constantinople–Malta), February–April 1810

Type	Name	Captain	Departure	Destination/Date
	Shamrock	David Moore	Belfast/Malta	Constantinople (15 February)
Schooner	*Ann*	Robert Priveth	Constantinople (20 February)	Malta
Polacca	*St George*	Philip Maltass	Malta	Constantinople (7 March)
Polacca	*Giuseppina*	Anthony Inglolt	Malta	Constantinople (8 March)
Polacca	*St George*	Philip Maltass	Constantinople (9 April)	Malta
	Ann	Andrew Kerr	Malta	Constantinople (13 April)

Table 5.2a Cargoes of ships arriving at Constantinople from Malta, February–April 1810

Shamrock (15 Feb)	*St George* (7 March)	*Giuseppina* (8 March)	*Ann* (13 April)
Sugar (84 cases, 99 casks)	Sugarloaf (40 klds)	Sugarloaf (32 casks) powder (10 tons)	Sugar (88 cases,)
Coffee (62 casks)	–	Coffee (26 klds, barrels, bags)	Coffee (15 klds)
Cocoa (4 casks)	–	–	–
Manufactured goods and shalloons (41 cases and bales)	–	Manufactured goods (50 trunks, bales, tons, parcels)	Manufactured goods (81 cases, bales), shalloons (3 bales)
Wine (6 cases, 2 scrons)	Marsala wine (10 klds, 1 cask)	Wine (20 Barrels, cases)	Wine (44 tuns and klds)
Indigo (2 scrons)	Indigo (11 cases, 2 casks)	Indigo (4 barrels)	Indigo (10 cases and scrons)
Cochineal (2 scrons)	–	Cochineal (4 barrels)	Cochineal (7 barrels and scrons)
Tin (5 barrels)	–	Tin (50 barrels)	
Cassia (30 cases)	Cassia (11 cases)	Cassia (24 sacks)	Cassia (15 tons)
Almonds (82 bays)	Almonds (15 bags)	Almonds (56 sacks and klds)	Almonds (43 bays)
Earthenware (32 crates)	Earthenware (4 crates, 1 kld)	–	Earthenware (1 crate)

Fernambuk wood (2,000 pieces)	–	Fernambuk wood (926 pieces)	–
Logwood (2,000 pieces)	–	–	Logwood (1,032 pieces)
Paper (1 case)	–	–	–
Nutmeg (1 barrel)	–	Nutmeg (1 barrel)	–
Hardware (2 cases, 1 cask)	–	–	–
–	Muslins (1 case)	–	Muslins (48 bales and cases)
–	Flands (7 cases)	–	–
–	Caps (14 cases)	Caps (25 tons)	Caps (7 cases)
–	Handkerchiefs (2 cases)	–	–
–	Cinnamon (10 cases)	–	–
–	Cambrics (4 cases)	Cambrics (4 tons)	–
–	Bark (11 cases)	–	–
–	Calicoes (2 bales, 1 trunk)	–	–
–	Woollen cloth (4 bales)	–	–
–	Cotton twist (27 bales)	Cotton twist (37 bales)	Cotton twist (30 bales)
–	Cream of Tartar (6 casks)	Cream of Tartar (6 klds)	Cream of Tartar (4 cases)
–	Rum (1 puncheon)	–	Rum (24 puncheons)
	–	Lead (68 pigs)	–
	–	Chintz (4 trunks)	–
	–	Merchandise (2 cases)	Merchandise (8 cases and casks)
	–	Plates (2 klds)	–
	–	Drugs (1 klds)	Drugs (1 bale)
	–	Cloth (2 barrels)	–
	–	Sarsaparille (Rough Bindweed) (4 bales)	–
			Jewellery (1 case)
			Salep (9 stones)
			Sulphur (1.695 boxes)
			Silk (1 bale)
			Pistachio nuts (20 bays)
			Lemons (561 boxes)
			Canary seed (75 bays)
			Mustard (1 con)
			St Martha's Wood (Brazil-wood) (225 pieces)

Table 5.2b Cargoes of ships leaving Constantinople for Malta, February–April 1810

Ann (20 February)	*St George* (9 April)
Red calf skins (39 bales)	–
Yellow skins (8 bales)	–
Orpiment (40 barrels)	–
Packing canvass (93 bundles)	Canvass (375 botts)
Russian linen (3 cases)	–
Cocoa returned (24 scroons)	–
Wax candles (2 cases)	Wax candles (6 cases)
White rope (209 bundles)	–
Tarred rope (57 coils)	–
Black galls (20 bays)	–
Cordage (7 coils)	Cordage (60 cantars)
Silk (15 bales)	Silk (60 bales)
Sail cloth (12 bales)	–
Camel hair (6 bales)	–
Yellow wax (15 barrels, 7 bays)	Wax (8 klds)
–	Tallow (42 klds)
–	Verdigris (2 casks)

Morier's suggestion that the company's consulage on goods traded to and from Malta should be levied at Malta did not apparently receive a positive response and in the following years the company's treasurers at Constantinople, Smyrna, Salonica and Larnaca continued to claim duties from foreigners and British subjects who refused to comply with the company's rules. In 1810 Morier decided that measures should be taken against those foreigners and Ottomans trading with Malta who refused or delayed the payment of consulage. The company's chancellor was given orders not to provide departing papers to any master of a vessel unless the payment of the consulage had been previously guaranteed or reimbursed.[27] These directions met with the disapproval of the freemen in Constantinople, who considered them an illegitimate interference in their trade. John Cartwright and Niel Maclachlan, members of the Constantinople factory, went as far as depositing a protest against Morier in the factory's chancellery.[28] They accused the consul general of acting against the company's rules and prejudicing a trade, conducted by foreigners, that was most useful to England, a trade that should be treated ‘rather with encouragement than persecution’. As was the case with many other company members during this period, Cartwright and Maclachlan represented a commercial house in Malta as commissioners and had shipped goods on the *Medusa* to be delivered at Valetta. Although the *Medusa* had completed its cargo, it was prevented from sailing from the port of Constantinople because it had

not obtained the necessary papers. According to the British merchants, this unreasonable delay threatened the loaded goods and endangered the whole business.

Morier's commandeering practices provoked reactions and were not very effective either. As collaboration between British, Maltese and Ottoman subjects trading in the Levant deepened, there were still delays in the payment or evasion of duties and clandestine shipments, while many merchants presented false papers to the British treasurers.[29] Investigating and resolving all this illicit activity was the responsibility of the company's officials, the only British officials on Ottoman soil: inspections, perusals, disputes and arbitrations concerned more often British non-freemen and their Maltese and Ottoman correspondents, than British freemen and members of the local factories. In January 1811, the consul general received information that a cargo carried by the *Shamrock* to Constantinople in February 1810 had arrived from Ireland and the manifests presented together with the bills of lading declaring that it had been loaded in Malta were false.[30] The practice of presenting false papers and signing misleading manifests had become quite common, and the *Shamrock* case became the catalyst for a reassessment of the company's control mechanisms and a reflection on those measures that could improve their efficiency. Morier proposed that the administration should frame an oath to be taken especially by commanders of ships coming from Malta. With this oath, they would solemnly affirm ‘that the goods specified in the Manifest were truly and really shipped at Malta according to Bills of Lading exhibited and that they were not brought from England or any part of H.M. Dominions for the sole express purpose of being, by the same ship forwarded to Turkey after having made new sets of Bills of Lading at Malta’.[31] Another measure that would allow the detection and prevention of such practices would be to require that all goods landed at Constantinople and other Ottoman ports from British ships from Malta should be accompanied by certificates from Malta's custom house confirming that they had been shipped there.[32] Morier's suggestions were once again ruled out as ‘impracticable’. The Levant Company, it was affirmed, was not authorised to legislate for Malta and therefore it could not ‘prescribe conditions which it could not enforce for the admission of vessels from the island into the ports of Turkey’.[33]

Eventually, the consul general found a more competent way of controlling the illicit activities of Maltese and British subjects, by holding them directly responsible to the island's British authorities. In 1810, the British civil commissioner of Malta, Lieutenant-General Hildebrand Oakes, was informed about the practices of many masters

of Anglo–Maltese vessels who, having loaded wine and corn in Cyprus and at Acre, refused to pay dues to the company.[34] Morier conveyed to Oakes the company's decision that the owners of these vessels who resided at Malta be contacted by the local British authorities and forced to pay their dues. If they failed to pay their obligations, Morier informed Oakes, the company's consuls would be directed to withhold their protection and assistance, without which these individuals would not be able to conduct business within the Ottoman Empire.[35] The civil commissioner was also informed about another important issue – that of the frequent clandestine shipments of corn and other commodities at small, peripheral hubs outside Constantinople.[36] Morier referred to the case of an Anglo–Maltese vessel that clandestinely loaded goods at a village on the Bosporus, while according to its bill of health it had departed empty from Constantinople to load wines at an Aegean island and ship them to Malta. All the cases presented to Oakes were investigated by the British authorities in Malta and the owners of the Anglo–Maltese vessels were ordered to pay the due consulage immediately.

Despite efforts in Malta and Constantinople to fight evasion, the company's revenue still suffered from the illicit evasion of duties and turnovers were much lower than expected. In 1813, John Prior, treasurer in Constantinople, attempted to explain this phenomenon by revealing that the majority of the vessels arriving from Malta brought very trifling cargoes and some only in ballast, as their principal object was to return with grain and other contraband articles. On their return trips to Malta, the owners and masters of the vessels, being foreigners and therefore free of the restrictions imposed on the company's members, found ways to elude the company's rules on true entries and exported goods clandestinely, thus evading duty payment.[37]

The development of an indirect, irregular trade that remained outside the company's control and generated little revenue was one of the negative consequences of Malta's interference in the Levantine trade. Another ‘evil’ was the elimination of the company's freemen from this important trade circuit as many merchants in Malta – British and foreigners – refused to hire British factors in the Ottoman Empire because they preferred to collaborate with independent merchants, be they British or Ottoman. During their two years' stay in Malta as a result of the Anglo–Ottoman war (1807–9), the company's officers and members were confronted with the dimensions of independent British trade operated by non-freemen from Malta to the Ottoman Empire and back. Morier, in his first report to the company in London upon his return to Constantinople in 1809, addressed the magnitude and expansion of this trade. The heavy burden of duties charged by the

company was the reason why the merchants trading from Malta avoided collaboration with freemen and hired foreign and Greek Ottoman instead of British vessels. If they decided to send the goods by foreign ships, Austrian for example, and consign them to British factors, Morier wrote, they would have to pay double consulage, one Austrian and one British; but were they chose to consign the goods to foreign factors, they would have to pay one consulage if the factors were Austrian and none if they were Ottoman.[38]

Another method devised by the Malta merchants to avoid the company's dues was to send British non-freemen merchants to Constantinople and Smyrna to act as their factors, agents and supercargoes (officers on a merchant ship responsible for the cargo and its sale and purchase), selling their goods and sending them returns.[39] This situation was particularly detrimental for the members of the Smyrna factory, the most prominent one in terms of volume of transactions. On various occasions, the local assembly of merchants petitioned the company to take action to compel the merchants in Malta to operate in the Levant through the mediation of British freemen and factors. But in an unprecedented expression of free market spirit, the company maintained that if the freemen wished to participate in this trade, they should convince the other parties that any prejudice against them was unfounded and that they were willing to transact the business on as favourable terms as those charged by other nations.[40]

Following the company's recommendations, some British freemen in Constantinople, Smyrna, Salonica, Larnaca and Acre did in fact participate in the indirect trade linking Britain with the Ottoman Empire through Malta. Among the British freemen who are known to have conducted business with British and foreign merchants in Malta were John Cartwright, Niel Maclachlan, Ed. Hayes and Co and James Sarell in Constantinople; Abbott and Chasseaud, Francis Charnaud, Peter Chasseaud, George Frederic Abbott and John Pyburn in Salonica; W. Wilkinson and C.R. Willis in Smyrna; and Antonio Vondiziano and William Howe in Larnaca. However, a large number of advices and commissions between Malta and the ports of the Ottoman Empire were conducted between non-freemen, British, Maltese and other European and Ottoman subjects, many of whom operated with British protection patents. The manifests compiled by the British consul in Salonica between April 1813 and January 1814 reveal the particular aspects of this great trade that had transcended the company's activity.[41] The London–Malta–Salonica trade channel established to avoid the French continental system was particularly active between 1809 and 1814, and British commodities delivered to

the port of Salonica were then transferred and distributed to the markets of the Habsburg Empire through Balkan land routes.[42] Within ten months, from April 1813 to January 1814, eight British and Anglo–Maltese vessels arrived at Salonica from Malta: the cutter *William and Mary* (Captain Jo Drysdale), the brig *Providence* (Captain Thomas Brown), the brig *San Salvador* (Captain Salvatore Berg), the polacca *Speranza* (Captain Lorenzo Carman), the brig *Intrepid* (Captain Thomas Martin), the brig *Vigilant* (Captain W.B. Fowler) and the brig *Aimée* (Captain J.G. Whitborne). Another four vessels departed from Salonica for Malta and London: the ship *Celerity* (Captain Valentine Riches), the *Providence* (Captain Thomas Brown), the *Intrepid* (Captain Thomas Martin) and the *Scarthingwell* (Captain Jordan Sheals). The Levant Company consul raised the extraordinary sum of 30,920.21 piastres from consulage on these cargoes. Participating in this trade, which was out of all proportion for Salonica levels, were 102 commercial agents, merchants and factors established in Salonica and Malta. Just under half (52) of them traded from Salonica, some of them representing commercial enterprises in Malta and the majority of them as independent merchants.

Out of the 52, 24 were British, Jewish, Italian, French and Habsburg subjects. They were, in an alphabetical order: J.L. Allamandas and M.J. Fazz, P.F. André, Barxell and Faadt, Claudio Bianco, William Brine, J.H. Castrizzi, Samuel Cooper and Co, J.D. Dardagani, John Fazz, Fernandez and Misrachi, Fouquier and Wailhem, G. Grabau and Co, Haggi Muhamed Sarai, Hausner and Co, J. Lachily, Ascan Luteroth, J. Masse and Co, Mercado Jenni, G.D. Morpurgo, Abraam Namias, J.B. Renal, Moise Saja and Juda Levi, Vernazza and Alliotti, G. Vianello Sons and Co.[43] Another 23 were from important Greek commercial enterprises of Salonica such as Ioannis Gouta Caftangioglou, Ioannis Chiriakou and Co and others. Only five out of the 52 were known to be freemen of the Levant Company in Salonica: Abbott and Chasseaud, Peter Chasseaud, Francis Charnaud, John Pyburn and George Frederic Abbott; these however constituted the whole factory of the company in the city.[44]

The Malta side of the operations was represented by 50 British, Greek, Maltese, Jewish, Austrian and Italian merchants: P.F. André, Giuseppe Bachaloni, Stefano Baccatori and Co, Balli and Prasacachi, Edward Barker and Co, J.F. Berard, Claudio Bianco, William Brine, Domenico Castelli, Demetrio Christodulo, Domenico Christodulo, Ioannis Constandinou, Andrea Costachi, Cozi Dalla, Dalgas and Ott, Demetrio Dardagani, U.D. Dardagani, Georgio Darioti, Fletcher and Co, M. Fletcher, Domenico Garofallo, Grabau and Stresaw, C. Grabau and Co, J.L. Gout, Iatro Golopoulo, Haggi Muhamed Sarai, Ed. Hayes

and Co, Cristian Heimpel, Holland and Co, Hunter and Co, Thomas Jackson, Panagi Manesi, Ger. Manetti, John Marshall, Pavlo Michali, G. Mutti, N. Premuda, Reimann and Mayers, George Richards, Ross, Higgens and Co, M.G. Tarabochia, M.M. Tarabochia, R.M. Thomas and Co, G.G. Sartorio, Stavro Scordilli, P. Thalassinos and Co, Ant. Tichy, H.J. Volger, and Michele Vujstich.[45]

The Salonica manifests confirmed the low percentage of Levant Company members in the Malta trade. During the same period, a number of British firms in Malta – Richard Morris, Thomas and Co, Edward Barker and Co, Edward Hayes and Co, George and Edward Noble, William England and Briggs Bros – consigned goods to a large number of commercial houses and merchants in Cyprus, most of them natives of Jewish, Greek and Italian origin; Antonio Vondiziano, the company's local consul, and William Howe, were among them.[46] By 1812, there was extensive trade being carried between Malta and Acre, where a company vice-consul had been appointed in 1799.[47]

With the commercial links between British, Maltese and Ottoman subjects increasing from 1808, Isaac Morier, together with the rest of company officials in the Levant, found himself in the awkward position of observing, protecting and serving an independent British trade that concerned the company only marginally. Some of the company's officials rejected the additional burden that had been placed on them. Differences arising between British-born and Maltese subjects trading in Malta and in the Ottoman Empire were sent to the British ambassador and the consul general at Constantinople for resolution. Through powers of attorney, the British subjects demanded settlements of accounts, delivery of goods and balances; they also solicited the ambassador and the consul to exercise their authority and use coercive means such as arrests and imprisonment. In 1812 Morier attempted in vain to re-establish the old order of things. Neither the ambassador nor himself – as Morier wrote in his letter to the company – believed they were authorised to address this situation ‘because the Charter and Bylaws of Your Company seem in every respect to relate only to British born subjects, Members of the Company settled at home or Factors abroad’.[48] The issue did not end there and was raised again, especially after 1815 when Malta was officially incorporated into the British Empire.

Despite protests against his increased duties and workload, Morier continued in the meantime to reflect and work on ways to sustain British trade and facilitate the transactions of British merchants through Malta. One of the major problems caused by the Napoleonic wars was the seizure of British vessels by the French, a situation that could not be remedied unless sufficient British convoys were

organised. The increase in Anglo–Maltese traffic during this period aggravated the situation, rendering the presence of British warships in the Mediterranean inadequate to protect British merchant navigation. Many British and foreign vessels – mostly Austrian and Greek – were reported to have been seized by French privateers in the Aegean and the Ionian seas and directed to Valetta.[49] Vessels with cargoes for Malta had to get from Constantinople to Smyrna in time so that they could proceed under British convoys stationed there. In 1809, a dozen such vessels were reported to have headed from Constantinople to Smyrna to join the convoy at Malta led by the *Confounder*, a brig of war.[50] Some years after, in 1811, the safe navigation of British and Maltese ships in the Aegean was still not guaranteed and French privateers continued to make lucrative raids on the trade between Malta and Smyrna. Two ships – an English brig loaded with fruit en route from Smyrna to Malta and an Anglo–Maltese ship, the *Alessandra*, sailing in the opposite direction with a valuable cargo – were both seized and carried to Nafplio.[51] On that occasion, Morier referred once again to the insufficiency of the British naval force stationed at Smyrna to protect British and Maltese trade. He requested the company to make representations to the Admiralty requesting the deployment of two gun-brigs, schooners or cutters of 12 or 16 guns each in the Aegean, and one to the coast of Cyprus and Syria.

Another measure that would facilitate British trade carried through Malta was the establishment of a regular periodical communication of at least once a month between the island and the two major outposts of British trade in the Ottoman Empire: Constantinople and Smyrna. The increase in the volume of British transactions, Morier maintained, required the launching of a packet ship that would transfer orders for insurances, commercial advice and other merchant correspondence. Small vessels such as well-armed and fast cutters could be utilised while the dispatches and letters from Constantinople to and from Smyrna would be forwarded overland. The additional cost of the service could be alleviated by the imposition of postage rates on merchant correspondence. The service would, according to Morier, serve political purposes as well, as it would ensure a direct and fast communication between the embassy and the British authorities in Malta and London.[52]

Although it interfered with the company's trade, the indirect trade carried through Malta provided the company with revenue and offered many new business opportunities to those of its members that were willing to expand their business and adopt flexible strategies. In the meantime, the company's officials, and the consul general himself, supported and assisted British trade in the Levant that transcended the

limits of the company's jurisdiction and was undertaken by independent merchants. The outline of the company's monopoly was thus blurred under the pressure of a complex and intensive trade that overwhelmed the French continental system and involved members and non-members, foreigners and Ottoman subjects protected by British patents as protégés.

The end of the Napoleonic wars and the ensuing freedom of trade and commercial navigation in the Mediterranean served to withdraw 'from Malta all that portion of the Trade which had been forced into this channel by Bonaparte's Continental System'.[53] From as early as 1814, the considerable shrinkage of British exports to the island afflicted Malta's transit trade and led the majority of its British merchant community to leave for new outposts in the Mediterranean: to Leghorn, re-established as an *entrepôt*, Trieste, Messina, Genoa and the Ionian Islands, which from 1815, under British rule, became the United States of the Ionian Islands.[54] Attempts by the merchants remaining on the island to revive its trade were unsuccessful and the proposals from the governor, Sir Thomas Maitland, to the British government to boost trade – channelling all British Levantine trade to Malta's quarantine facilities was one of them – were turned down by the Board of Trade.[55]

In 1816 the correspondence between the foreign secretary, Viscount Castlereagh, the president of the Board of Trade, Earl Bathurst, the minister plenipotentiary at Constantinople, Bartholomew Frere, and Morier revealed the new priorities of British foreign and trade policy in the Mediterranean and the concentration of the government's interest in the Ionian Islands, which had been placed under British protection with the Treaty of Paris of November 1815. The appointment of Thomas Maitland, Malta's governor, as lord high commissioner for the Ionian Islands in 1815 signified these changes. In 1816 the Foreign Office requested Frere to provide information on the number of Ionian ships that arrived in or departed from the principal ports of the Ottoman Empire every year. Frere was also asked to collect information on the number of Ionians residing in the most important Ottoman ports, their chief occupation and their leading character, the nature and amount of Ionian produce imported annually into the Ottoman Empire, and the nature and amount of Ottoman produce exported to the Ionian Islands. The Foreign Office required also an estimation of the probable amount of consular fees that could be collected from the Ionian trade 'if levied on the rates of the British trade'.[56] Frere turned to the company, asking the elderly Morier to prepare a report on the subject. He also demanded a similar report from the Smyrna consul, Francis Werry. In his report, sent to

Frere in August 1816, Werry sustained that Ionian navigation under British protection could compete successfully with the Austrian merchant fleet and with an emerging fleet made up of Venetian, Ragusian, Triestine and Dalmatian vessels. He also presented to Frere a list with the arrivals and departures of Ionian vessels to and from Smyrna from 1813 to 1815. According to the data, the arrivals of Ionian vessels had increased considerably from 1813 to 1815, from 13 in 1813, to 22 in 1814 and 39 in 1815. Of these 74 vessels, 25 had brought cargoes to Smyrna from Malta and Italian ports, Trieste in particular; 41 had loaded cargoes in Smyrna and sailed back to Malta, Trieste and other Italian ports; while 33 had left Smyrna empty to load at other small ports in Asia Minor or the Aegean. Many of them had been employed in the contraband trade of wheat and oil, the export of which was prohibited by the Ottoman authorities. The cargoes transferred to Smyrna by Ionian vessels comprised mostly colonial products, manufactures and other European commodities, as the Ionian Islands had no produce with which to trade in Smyrna. According to Werry, the Ionians traded individually and personally, using no intermediaries or agents. The vessels of the Ionian fleet were very often loaded for the account of the owners, and the consulage levied at Smyrna on imports and exports by Ionians was paid directly by the owners of the merchandise. Werry estimated that the total amount of the imports and exports from and to the islands was less than £500 annually.[57]

Having collected all this information, the Board of Trade informed Morier that he should ‘afford the same protection and assistance to the Subjects, Vessels and Merchandise of the Ionian States frequenting the ports within Your consulship as you now afford to the trade and persons of H.M. Subjects’. In October 1816, Jacob Bosanquet, the deputy governor, provided the company's official reply to Bathurst's instructions. He reminded Bathurst that ‘for several years past the subjects of those Islands resorting to Turkey’ had been under the protection of the consuls appointed by the Levant Company ‘pursuant to their charter’ and had been treated as British subjects ‘paying no higher consulage to the company than regular members thereof’. Bosanquet's answer expressed the company's will to come to an understanding with the British government concerning the Ionian Islands so that it could adjust its regulations to the new circumstances.[58] The company's deputy governor also attempted to safeguard the company's customary rights in the area, now that the islands had come under British protection and they were developing quickly as a Mediterranean base for British trade.

The Black Sea Trade

The issue of British expansion in the Black Sea became one of great commercial and geopolitical importance in the period under examination, with Russia's domination in the area viewed as a threat to British interests in the Mediterranean and the Indian Ocean.[59] The issue was raised frequently in the company's correspondence with the ambassadors and officials in Constantinople and Smyrna. And yet British trade in the Black Sea never became solely a Levant Company affair, as the area remained outside the company's jurisdiction. Its members never participated extensively in this trade, but only in an indirect manner, and revenue from consulage duties was rather meagre and difficult to collect.

In 1774, with the signing of the Treaty of Küçük Kaynarca after the Russian–Ottoman war (1768–74), Russia gained free merchant navigation rights in the Black Sea.[60] This agreement was the first breach in the strict monopoly enforced by the Ottomans in this inland sea.[61] In the following years, the Porte, with new treaties, confirmed and expanded these commercial and consular concessions to Russia.[62] The annexation of the Crimea and the peace Treaty of Jassy in 1792 that extended the Russian frontier to the mouth of the Dniester, stimulated the economic growth of the southern Russian ports, the export of grain and other commodities, and the development of a merchant marine, mostly composed of captains and sailors of Greek and Italian descent who sailed with a Greek Ottoman and sometimes a Russian flag.[63] Greek merchant communities were established in ports of southern Russia by Greeks who had left the Ottoman Empire after the Russian–Ottoman wars seeking Russian protection: in 1784 Catherine the Great offered protection and various concessions to Greeks and other foreign merchants prepared to trade or settle in the Crimea region.[64]

Only a few months after the signing of Küçük Kaynarca Treaty, the British ambassador, John Murray, unsuccessfully petitioned the Ottoman authorities for the opening of the Black Sea to English ships. The Levant Company requested that the new ambassador, Robert Ainslie, restart negotiations with the Ottoman authorities for the granting of free access to the Black Sea. This initiative did not bring any results and it was only in 1799 that a combination of factors contributed to a positive outcome in the negotiations, when Britain and the Porte signed a treaty of alliance and cooperation aiming at expelling the French from Egypt.[65] This was an agreement that promoted the diplomatic relations between the two countries and established a climate of confidence and solidarity between them. During the same period, John Spencer Smith, the minister

plenipotentiary in Constantinople, was authorised by the company to spend a considerable sum of money to promote the negotiations.[66] The sum was not to exceed 20,000 piastres, and Smith drew £1,200 from the company for this purpose. He eventually obtained a promise for the concession of free navigation for British shipping in the Black Sea, but this was not ratified until three years later.

In 1800 the issue was still pending and upon his appointment as British ambassador at the Porte, Lord Elgin learned from the company of the great importance it attached to its successful conclusion.[67] The company underlined to Elgin that it did not expect the free access, when granted, to be confined to its members. It also recognised that the decision on what 'parts of these areas would be under its exclusive right by virtue of its charter' would be determined 'at home' and in agreement with the Muscovy Company.[68]

The appointment of Alexander Straton, an experienced diplomat and negotiator, to the position of Lord Elgin's secretary and later on as *chargé d'affaires*, accelerated the procedure. On 24 July 1802, an official note was finally delivered by the *reis efendi*, the Ottoman foreign minister, to the embassy presenting the conditions attached to British navigation in the Black Sea. Straton was congratulated by the company and the British authorities for the successful conclusion of a long and delicate negotiation.[69]

The company's enthusiasm was not shared by some of its members, who viewed the project of free Black Sea navigation with pessimism and suspicion. Thomas Thornton, treasurer of the Constantinople factory, was one of them. In a report addressed to the company in London only one month after the conclusion of the negotiations, Thornton described his objections in detail, presenting a general overview of the perspectives for British trade in southern Russia.[70] According to Thornton, the chief Russian exports from Odessa and Cherson (Kherson), on the Dnieper river delta, were grain and cordage;[71] from Taganrog on the Sea of Azov, grain, iron, tallow and caviar; and from the Crimea, grain, wool and wax. These commodities were exported in small quantities, while imports consisted mainly of wine and oil from the Aegean Islands, fruit, cotton wool, and silk. All imports were transported inland to Moscow, as there was no demand for foreign goods in the neighbouring districts, which were 'thinly peopled by needy soldiers or an oppressed peasantry without any refinement or taste for foreign luxuries'.

For Thornton, it was clear that the company and its members could not engage in this trade successfully for three main reasons. First, the British ships were too expensive to be engaged merely as carriers or caravans; second, the exports from the Black Sea were similar to that

from the Baltic Sea and, therefore, could not support the cost of such a 'circuitous' route to England; finally, and most importantly, the economic and social condition of this vast country could not sustain imports of British manufactured goods.

Another major impediment to the expansion of British trade enterprise in the Black Sea was the navigational difficulties caused by strong currents, midsummer north winds and winter frost. Thornton maintained that free navigation could have been very beneficial during the Egyptian campaign, as the British fleet and armies then operating close to the area could have been supplied with provisions and naval stores at very low prices. There was little doubt, he concluded, that the French arsenals in the Mediterranean would find it very convenient and profitable to buy supplies in the southern Russia ports, but for the British navy these markets were too far beyond their reach in peacetime.

Other British merchants too viewed the Black Sea region as a *terra incognita*; it would take some time before a British merchant vessel would sail up the Bosporus using the new privilege, before other European nations did. Observing all those 'highlish merchantmen having lately arrived to Constantinople' who, 'constrained by their insurance policies', were unwilling to be the first to sail into the Black Sea pushed Elgin into taking an extraordinary initiative in 1802.[72] In order to ensure that no other flag would 'pass the Turkish Castles before the British colors', he obtained a permission from the Porte for his own small vessel, the *Argo*, to pass the straits and proceed to the Black Sea. The *Argo* passed the Bosphorus on the 6 November 1802 and entered the Black Sea on the following day. In a letter to the company, Elgin described with pride his venture and details of the trip.

A few months later, the first British vessel, the *Catherine*, commanded by Captain Bartell Wrangheim, obtained a passport to pass the straits en route to Odessa.[73] The *Catherine* had arrived at Constantinople from Genoa with a small cargo consigned to members of the factory. As John Prior, the new treasurer at Constantinople, expressed hopefully on 9 April 1803, the *Catherine*'s arrival signified a new prosperous period for British trade and navigation in the Black Sea. Her chartered freight proved to be a great encouragement for British shipping, confirming its superiority over other nations.[74] In the meantime, the treasurer informed the company that several other small French vessels had followed the same route with few or no goods on board. Only two of them were reported to be loaded, with cochineal, sugar and wine.

Despite poor response by the British freemen, Straton continued his

effort to promote British trade in the Black Sea and achieve better conditions of passage for British vessels. In 1803 he was engaged in negotiations concerning the privileged treatment received by Austrian, French and Russian merchant ships when passing the Dardanelles on route to Constantinople, the Aegean or Black Sea.[75] As regards the Russian vessels in particular, the treaties stated that they should not be detained or even put under inspection by Ottoman officials and that no duties should be exacted on their cargoes.[76] Also, upon the mere presentation of the list of the cargoes certified by the Russian ambassador at Constantinople, passports were granted immediately. British vessels faced extensive discrimination, being regularly stopped and inspected by the Ottoman customs, an offensive procedure that put them through additional expenses and other inconveniences. This practice was a clear deviation from the capitulation agreements, according to which the British were entitled to every privilege granted to the most favoured nation in the Ottoman Empire. As Straton came to realise with contempt, the passports furnished to British merchant ships by the Ottoman authorities were of inferior status to those granted to German, Russian or French vessels.[77] After consulting with the merchants' assembly in Constantinople, he therefore started a new round of negotiations during which he requested that British vessels not be 'subjected to any visit, search, stoppage, or payment of duties under any denomination whatever to which those of Russia, Germany and France are not subjected'. When this mission was successfully concluded, the company congratulated the ambassador, William Drummond, in November 1803.[78]

During the same period, the second British vessel – the *Invention*, commanded by Captain Peter Tardif – was reported to have passed the straits.[79] In the meantime, the number of French vessels destined for the ports of southern Russia grew with every day and the French government had already appointed consuls at some of the principal Black Sea ports. In an attempt to encourage British entrepreneurial interest, Straton provided the company with a 'preliminary outline of the Black Sea navigation and trade'; an interesting and informative document, it contained approximate data that were really directed at British merchants with an interest in exploring new opportunities in southern Russia (see *Table 5.3*).[80]

Straton's sketch included a separate section on timber, a material used extensively in ship building and found in excellent quality and cheaply in many southern Russian markets and ports. It also contained a list of the major Black Sea ports, indicating those that were also important timber markets. Finally, Straton recommended that the company release Morier from his position so that he could be elevated

to the status of His Majesty's consul general at Constantinople, directly dependent on the Crown. This would allow Morier to assist the British ambassador in his work of supporting national trade and thus develop and fulfil Britain's commercial and political objectives. This unexpected petition did not move any further.

In 1805 Morier reported that a significant number of Maltese vessels had passed the straits and entered the Black Sea en route to the southern Russian ports, where they loaded corn for the British government and individuals.[81] In the next few years, this trade, in which Greeks, Maltese and British merchants participated, became extremely important.[82] The outbreak of another Russian–Ottoman war (1806–12) was bound to undermine conditions for navigation and trade in the Black Sea. Following the publication by the Porte of a resolution prohibiting access to all foreign flags, trade was suspended for some years, although occasionally vessels of different nationality obtained, by paying large sums of money to the authorities, permits to pass the straits en route to Odessa and Taganrog.[83] Exports of wheat from Odessa and other Russian ports were also strictly banned and the shortage of bread was particularly felt in Constantinople and other major cities of the Ottoman Empire. The problem was partially relieved with the import of wheat and other victuals from the Aegean Islands and through contraband activity.[84]

Table 5.3 Preliminary sketch of the Black Sea navigation and trade, by Alexander Straton, 1803

Nationality	Number of ships navigating to and from the Black Sea yearly
Russian	120
Austrian	40
Ragusian	1 last year
English	1 actually
French	2 actually
Articles sent to Russia (per annum)	**Articles of European manufacture sent to Russia (per annum)**
Wine (60 cargoes)	British shalloons (300 pieces)
Dry fruit (40 cargoes)	Painted cloths (500 pieces)
Oranges, lemons, etc. (10 cargoes)	Tin (5 cases)
Drugs, incense of fine and common sort (3,000 quintals)	French wines (1 ship)
Cottons (700 bales, 1,400 quintals)	Lead sent this year by a French house
Silk (300 bales)	
Cotton yarn (500 quintals)	
Indian shawls and Indian stuffs (500 pieces)	
Striped and plain stuffs manufactured in Constantinople (200 pieces)	
Barbary shawls, common sort for Crimea (2,000)	
Barbary skull caps (4,000 doz.)	
Articles exported from Russia (per annum)	**Articles exported from Russia for consumption exclusively in Constantinople (per annum)**
Corn (50 cargoes of grain on average)	Honey (15,000 quintals)
Butter	Cheese (400,000 quintals)

Skins (1,500 pieces, 12,000 quintals)	Butter (20,000 quintals)
Tallow (650 quintals)	Tallow
Tallow candles (200 quintals)	Beeswax (40 quintals)
Wool (2,500 quintals)	Touchwood (80 quintals)
Caviar (1,000 carks, 10,000 quintals)	Corn
Dried fish (2,500 quintals)	Barley
Russian telatin leather (20,000 quintals)	Poultry
Russian raw leather (6,000 quintals)	Pitch and tar
Ropes and cables (25,000)	Hazelnuts (500 to 1,600 quintals)
Hemp	Nardenk, a preserve composed of pears and apples (1,000 quintals)
Musiiamaa (muşamma) (2,500 pieces of 40 g each)	Trays, large and small (80,000)
	Apples (about 1,000 quintals)
Tar (250 bales)	Beeswax (1,000 quintals)
Iron (40,000 kilos)	Boxwood
Coarse linen (250 bales)	Black lamb skins, salted
Crimean coarse carpets (6,000 pieces)	Timber
Sugarloaf (250 quintals)	

In March 1812, when a peace treaty between Russia and the Ottoman Empire was imminent, the company reconsidered its duty policy on Black Sea trade and navigation.[85] The discussion, which took place between the consul general and the administration in London, was triggered by the expectation that the Black Sea would be reopened to British and other foreign flags, thus restarting trade between the major Black Sea ports with Constantinople, Malta and London. This occasion would provide the company with an opportunity to augment its revenue from consulage on goods shipped to and from the southern Russian ports.[86] However, as the administration in London emphasised to its consul general, the company had no authority over and concern for cargoes of ships passing to and from the Mediterranean that did not land any goods in the Ottoman Empire. Consulage could be derived from charges on goods received in transit from the Black Sea or the Mediterranean by foreign vessels and transshipped in British vessels bound for the Black Sea or the Mediterranean. It could also be charged on goods bought and shipped in the Ottoman Empire for the Black Sea or bought in the Black Sea ports to be sold in the Ottoman Empire. Treasurers were warned to take great caution when charging consulage on goods and a

close examination of each case was necessary in order to avoid any vessel being double charged.[87]

Following the Treaty of Bucharest, signed on 28 May 1812, British merchants were reported to have rejoiced at the prospect of the opening of the Black Sea to European, Ottoman and Russian navigation. By 1812, an abundant supply of grain that had been locked up there by the war awaited transport to the Ottoman capital or to Spain and Portugal, if the crops of Sicily and Barbary did not suffice, by Greeks and other foreigners.[88] It would, however, take some years before trade and navigation in the Black Sea returned to their prewar regularity. For a period after the war, free passage from the straits was not guaranteed under any circumstances for both Russian and European vessels. The Porte prohibited vital exports of corn and other victuals from Russian ports, and vessels carrying these commodities were very often seized.[89]

In 1812, a British brig, *Betsy*, commanded by Captain Mus, arrived at Constantinople from Odessa, en route to Mahôn with a cargo of corn and peas. It was seized and detained for some time. The Porte's response to the solicitations of the British ambassador revealed that the Ottoman authorities were unlikely to make any concessions to the British flag before doing so with the Russian flag.[90] The British believed that behind these tactics lay the secret intrigues of the French ambassador; however, in 1813 a first agreement was made that led to a final arrangement concluded later between the Porte and the Russian minister to Constantinople allowing Russian vessels to export corn from southern Russia.[91] This development did not, as it had been anticipated, afford British vessels free access to the Black Sea.[92] In July 1813 the British merchants were finally informed that there had been a renewal of the privilege conceded to British ships to navigate the Black Sea on condition that the grain imported should be landed at the public granary in Constantinople and paid for at a price to be fixed by the Ottoman government.[93] In his reply to the Porte, the British ambassador accepted the renewal of ‘the ancient privilege granted to His Britanic Majesty's subjects of a free navigation between the Black and White Seas’ but expressed his disappointment that this positive development was accompanied by exceptions. He also invited the Ottoman government to see the propriety of settling the issue ‘speedily’ if it wanted to ensure a constant supply of grain for the capital. Until that point was reached, British vessels would not sail in the Black Sea.[94]

This long impasse was extremely frustrating for traders who sailed with the British flag and under British protection. One of the ways used by Anglo–Maltese and Ionian subjects to overcome the deadlock

was to sell their vessels to Russians temporarily for the purpose of entering the Black Sea under Russian colours, and then resume course with the British flag on their return by repurchasing their vessels.[95] Greek shipowners engaged in similar fake operations, by purchasing and sailing vessels with the Russian flag.[96] As this strategy became quite common, the chancellery in Constantinople became the depository of considerable amounts of documentation and certification concerning these simulated transactions: ships' papers, bills of sale, powers of attorney, property certificates and Mediterranean passes were deposited and registered by the company's chancellor, who found himself caught up in a bustle of bureaucratic activity. Morier was, nevertheless, instructed not to obstruct these sorts of transactions.[97]

When in 1814 the Porte and Russia finally signed an agreement for the release of corn exports, this eventually led to negotiations between the British embassy and the Ottoman authorities for the extension of the privilege to the British.[98] The ambassador Sir Robert Liston required the unlimited passage of British vessels from the straits as a matter of right. In July 1814, the first two British vessels were granted permission to pass the straits, carrying 17,500 kg and 10,400 kg of corn laden in the ports of southern Russia.[99]

Two events in 1815 – the end of the Napoleonic wars, with all the above-mentioned repercussions for the volume and direction of British trade, and the passing of the Corn Laws in Britain by Lord Liverpool's administration – were bound to influence British activity in the southern Russian ports.[100] Occasionally, Ottoman resolutions on customs duties and import–export policies would also upset conditions for Black Sea trade, agitating the members of the foreign merchant communities.

In 1821, the outbreak of Greek war of independence and the positive inclination of part of British society and the political establishment towards the insurgents[101] put Anglo–Ottoman relations under strain, and British merchant navigation in the Black Sea was one of the areas where the consequences of this tension were mostly felt. In a letter sent to the foreign secretary, George Canning, in October 1822, Jacob Bosanquet outlined the restrictions imposed by the Porte on the British right to ‘navigate and trade freely into the Black Sea’, openly attributing them to the Greek–Ottoman conflict. ‘For circumstances arising out of the Greek Resurrection,’ Bosanquet explained, ‘the Turkish government stopped our corn ships from Russia, took out the cargoes and paid for them after their own manner at the market price.’[102] Customs officers in Constantinople had also informed the British authorities that the entry of certain articles to the

Black Sea was restricted to Ottoman, Russian and Austrian flags. British vessels lost their equal footing with Russian ships and, as in previous years, they were detained, searched and surcharged every time they passed the straits.[103]

Bosanquet described the situation as extremely detrimental to British trade and one that would have unforeseen political consequences. The Ottoman restrictions could induce vessels from the United Kingdom of the Ionian Islands trading under British protection to seek and acquire Russian protection in order to trade freely in the Black Sea.[104] Such a development would allow the Russians to expand their influence in an area of British control and on a population that only recently had acquired British citizenship with the annexation of the islands by the British Empire.

The following year, the restrictions imposed on British trade and navigation in the Black Sea were removed following negotiations between the British government and the Ottoman authorities, in which Lord Strangford, the British ambassador to Constantinople, was the intermediary. The Foreign Office took the lead in the settlement of the affair, and the official correspondence exchanged between it and the Levant Company displays a detached attitude towards a trade that had never been entirely under the latter's jurisdiction. The Black Sea trade had been served and promoted by the company's officials in the Levant under the supervision of the British government and had raised significant revenue for its treasury, although there is no evidence to suggest that company members were ever that much involved in it. In a letter sent to the under-secretary of state for foreign affairs, Lord Francis Conyngham, on 10 October 1823, the company's secretary, George Liddell, expressed the general court's grateful acknowledgment for the prompt communication of Lord Strangford's report on the Black Sea trade.[105] It also transmitted the court's desire for a speedy and permanent solution to all problems concerning this trade. And in 1824, when Conyngham requested the company's assistance in the investigation into a British vessel that had passed through the Bosporus without a passport, the company replied that as none of its members was involved in the vessel in question and as communication with Russia via the Black Sea was open to British ships in general, the affair was exclusively a national one and was thus up to the government to resolve.[106]

The ‘Great Trade’ of Salonica

In the late eighteenth century, war between Britain and France impeded shipping in the Mediterranean, necessitating the rerouting of

goods through continental Europe. The continental blockade imposed by the French through the Berlin decrees rendered the delivery of British merchandise impossible and blocked all British vessels from French ports in the Atlantic and Mediterranean. After the French occupation of Italy, some major ports in the Tyrrhenian and the Adriatic seas were included in the blockade, thus severing the continental European route to the Mediterranean for the British. As has already been shown, on this occasion Malta, a safe haven for British vessels in the centre of the Mediterranean, assumed a pivotal function in the reorganisation and coordination of British trade. Malta became the major transit station for British trade in the region, replacing Leghorn, now under French domination, as a British *entrepôt*. From Malta, British consignments from London found a free passage to central Europe through Salonica, from where they could be easily transferred overland to the Balkans and the Habsburg Empire.[107] Commercial houses in Smyrna, for example, dispatched orders to Salonica for forwarding to Viennese clients. During the final phase of the Napoleonic wars, for a brief period of six to seven years, Salonica became a major trade junction in the London–Malta–Vienna itinerary. Ships calling at Salonica returned to Britain loaded with raw materials and foodstuffs, sourced in the port's rich hinterland, Levantine products and Eastern colonial goods.[108]

The delayed addition of Salonica (Thessaloniki) to the constellation of the Levant Company's factories was due, first, to the company's policy of checking the excessive expansion of its trade transactions by containing enterprises within specific geographical areas, and second, to the opposition of the English merchants of Smyrna, who feared the consequences that a Salonica factory might have on their turnover.[109] The reasons were insufficient to put off English business interest in the port for long, and in 1715 the Salonica factory was established.[110]

One of the key ports of the eastern Mediterranean and the principal port of the Balkans, Salonica had a long urban history and was one of the most diverse societies in Europe. The city's multicultural distinctiveness was shaped through the centuries – once a Byzantine capital city, it was now an Ottoman administrative and commercial centre and Greek port – a destination for people from all over the Balkans and a place of residence of one of the biggest communities of Sephardic Jews in the Mediterranean. In other words, it was a Christian, Muslim and Jewish city that was Balkan and Mediterranean at the same time.[111] Salonica had been an important maritime and commercial centre since the beginning of the Ottoman period: it was an intermediary station in the complex network of commodity transport routes that spanned the Ottoman Empire, linking the Middle

East with Rumelia, the Balkans, the Black Sea and North Africa. The French and Dutch had been established in the city since the seventeenth century.

By the late eighteenth century, Venice, Ragusa (Dubrovnik), Denmark, Sweden, Austria, Spain and Prussia were also represented there. As one of the favourite outposts of French trade in the Mediterranean, Salonica became a frequent stopover for Western European vessels loaded with textiles, luxury goods and colonial produce that were exchanged for grain, cotton, tobacco, silk and wax. French business and ways reigned in the city, particularly during the eighteenth century, when the port seems to have attracted English attention. The first English merchants who are known to have conducted business in the port operated under the protection of the French consul.[112]

The establishment of a Levant Company factory in the city brought English traders to the port and gave a significant boost to English trade, with the value of goods transacted by the English increasing significantly. As the French consul, François de Boismont, noted to his astonishment, as soon as the English consul arrived in the city he collected £4,000 sterling in duties from three English ships. One of the ships had a cargo worth £200,000 sterling, which was an extraordinary amount in the eyes of the Boismont.[113] And yet the factory was never large in numbers: in 1743 it comprised a consul and five merchants. The merchants Richard Kemble, Robert Stevenson, [Richard?] Horswell, John Lisle, Peter Paradise, John Olifer, George Moore and Francis Charnaud are known to have served as British consuls representing the company, while Bartholomew Edward Abbott, John Pyburn, George Frederic Abbott and Peter Chasseaud – who for some time was British vice-consul in the nearby port of Kavala – were some of the factory's steady members.[114]

The British sold cloth, linen, muslin, tin, lead, raw and wrought iron, clocks and watches in Salonica and bought in exchange cotton, tobacco and carpets.[115] Textiles were the primary commodity imported to Salonica. From Salonica British merchants participated in an indirect trade network that dealt in textiles between Leghorn (Livorno) and the Ottoman Empire. Also involved in this trade was a group of Greek, French and Jewish Livornese commercial houses.[116] For British traders, Salonica was important as an intermediate maritime station in the complex network of maritime and inland routes that developed through and around Smyrna. It was therefore a frequent stopover for British vessels en route to Smyrna from London and Malta, while vessels leaving Smyrna often finished their cargo in Salonica before heading to Britain.[117]

Another interesting picture of British trade in Salonica in the late eighteenth century is provided by the French diplomat Félix de Beaujour, according to whom, in the late eighteenth century, two British factors settled in the port importing textiles (mostly woollen londrines and mohair, cashmere, and muslin), lead, tin plates, watches, jewellery and colonial goods, such as sugar, coffee, indigo, pepper and ginger.[118]

The emergence of Salonica as an alternative transit port in the Mediterranean from where goods could be distributed to continental Europe, thus bypassing the French blockade, had a major influence on the life and activities of the local merchant community. First and foremost, the British factory in Salonica experienced an unprecedented expansion of its activity. This new situation had unexpected consequences for its internal affairs and its relation with the company. The vast increase in port transactions that Francis Charnaud had to handle led him to a series of miscalculations and irregularities, of which the company was duly informed.[119] In 1812 the general court notified him that it had received various representations about 'the hardships suffered by individuals engaged in the trade from this country to Germany through Salonica'; Charnaud had charged these individuals with a broke of 20 per cent on the value of their merchandise. The company, therefore, ordered him to charge only the ordinary consulage on goods imported from Britain that was 'bona fide in transit for other countries'.[120]

A few months later, the company accused Charnaud of the 'improper exercise' of his consular authority in respect to trade with Malta, as he had once again violated the company's bylaws by levying a broke of 20 per cent on goods from the island.[121] Similarly in Smyrna, consul Francis Werry had overcharged British merchants importing goods in Smyrna from Malta, obliging them to pay the broke of 20 per cent on the value of the goods.[122] The intensification of trade between Malta and Salonica and Malta and Smyrna had obviously pushed the company's officers into adopting certain practices that could easily be misinterpreted as attempts at personal profiteering. The 'Great Trade of Salonica', as it was identified by a Levant Company official, was also connected to a major crisis in the relations between the company and the local factory as a result of Charnaud's negligence of his duties. In July 1813, the company informed the consul general in Constantinople, Isaac Morier, that Charnaud had not communicated with the company since 'the commencement of the Great Trade carried on through Salonica'. Morier was therefore asked to 'require him to furnish you with a statement of his receipt of Consulage from 31 December 1805', the

date of the last account that Charnaud had dispatched to the company.[123] If Charnaud persisted in 'withholding the accounts' and did not comply with the orders within three months, Morier was to suspend him from office and appoint a replacement. It was true that Charnaud had kept from the company the accounts of the duties collected by his consulate and had omitted to pay the treasurer of the Constantinople factory the company's share of the revenues according to a usual practice of all the consuls.[124]

Charnaud was eventually suspended from his position, despite his claims that his negligence was due to his son's long illness which had prevented him from carrying out his official duties.[125] In 1814, the company appointed Bartholomew Edward Abbott, a British merchant in the city, as proconsul.[126] However, Charnaud returned to his position after a very short period; his long and pleading letters to officials in London and in Constantinople and, most importantly, the support he enjoyed from powerful members of the company, such as John Theophilus Daubuz, had convinced the company's administration to 'reinstate him to the company's confidence and consultarian dignity' on condition that he would fulfil first all his obligations.[127]

In May 1814, Charnaud provided the company with all the material – consulage accounts and manifests – detailing the performance of British trade during this particular historical conjuncture.[128] According to Charnaud, in the nine years from April 1800 to November 1809 not one English ship had arrived at Salonica. Breaking this absence was the *Venere*, a polacca from Malta commanded by Captain Paolo Rossi. This marked the beginning of the 'Great Trade of Salonica', which lasted until sometime after 1815 when peace was restored in Europe. Charnaud provided London with the 108 manifests that were submitted to the British consulate from 1809 to 1813; this represented an average of 36 arrivals and departures of vessels each year, a huge volume of activity in comparison with previous periods. During this time, the consulate collected the sum of 88,337 piastres in duties.

From April 1813 to January 1814, another 12 entries were made in the consulate's registers (see *Table 5.4*); these produced 30,920 piastres in duties, of which Charnaud handed over 10,666 piastres to the company. These 12 manifests are the only documents sent by Charnaud to the company that survive in the company's archive. They provide details on the nature, volume and value of the trade connecting London with Malta, Salonica and continental Europe during this period. As a comparison with subsequent data shows, the growth of trade in this period was short lived and had languished by 1816.[129]

Table 5.4 Consular duties paid to the British consulate in Salonica, April 1813 – January 1814[130]

Name of vessel	Type of vessel	Captain	Bound	Duties (in piastres)
Celerity	Ship	Valentine Riches	Outward	477.63
William and Mary	Catcher	Jo Drysdale	Inward	4,497.11
Providence	Brigantine	Theo Brown	Inward	5,927.68
S. Salvador	Brigantine	Salvatore Berg	Inward	2,358.63
Speranza	Polacca	Lorenzo Carman	Inward	1,440.11
Providence	Brigantine	Theo Brown	Outward	1,834.69
Intrepid	Brigantine	Theo Martin	Inward	2,617.59
Betsey	Brigantine	W. Liston	Inward	3,465.60
Intrepid	Brigantine	Theo Martin	Outward	1,455.66
Vigilant	Brigantine	W.B. Fowler	Inward	4,428.80
Aimée	Brigantine	J.G. Whitborne	Inward	2,032.11
Scarthingwell	Ship	Jordan Sheals	Outward	382.23
Total			4 outward; 8 inward	30,920.21

Between April and September 1813, eight vessels navigating under the British flag arrived at the port of Salonica carrying large quantities of various manufactures and raw materials, such as cotton yarn, coffee, sugar, indigo, cochineal, redwood, pepper, dyes and cinnamon. Between April 1813 and January 1814, four vessels departed from Salonica for London via Malta loaded with tobacco, thick woollen cloth and sheep wool, and small quantities of cinnamon, sponge, foodstuffs and raw silk.

A large number of British, Ottoman and other foreign merchant houses operating in Salonica, Malta and Smyrna were involved in this trade, which connected London with the markets of continental Europe. In 1813 alone, 61 firms operating for their own account or representing other companies dispatched and received merchandise to and from Salonica. Among them were many British, Maltese and Greek traders, as well as Jews, French, Italians and Austrians. Of these, 22 had offices in Malta and many of them were also represented in Smyrna. Of the 23 Greeks, ten had offices in Salonica. Philip Frederic André, Edward Barker and Co, Chabot, Routh and Co, James Cooper, A. Dalgas, Fletcher and Co, J.L. Gout, Charles Grabau and Co, Grabau and Stresow, Edward Hayes and Co, Holland and Co, J. Hunter and Co, Joseph Marshall, Reimann and Mayers, R. Richards, Ross, Higgens and Co, R.M. Thomas and Co and Henry Volger were some of the commercial firms operating from Malta.[131] Abbott and Chasseaud, Barxell and Faad, Ioannis Gouta Caftangioglou, John Fazz, Elia Fernandez and Misrachi, Hausner and Co, J. Masse and Co, Moise Saja and Juda Levi, Vernazza and Alliotti, G. Vianello and Sons were some of those receiving goods in Salonica for their own account and for the account of other firms.[132]

The ‘Great Trade of Salonica’ reflected the real conditions of trade in the Levant: merchants participating in an extensive system of

collaboration and transactions that cut across barriers of nationality, ethnic and religious identity, adopting flexible and complex strategies to diversify business and take advantage of the best opportunities available. For what concerned the company's freemen, this system functioned simultaneously with a system of partnerships developed within the company and responding to specific regulations. For those British merchants who had remained outside the company's membership, the option of participating in independent business networks was more reasonable and profitable than being bound to the company's network.

This was the case of Kirkman Finlay, of James Finlay and Co of Glasgow, who during this period sent a factor of his, Christophe Aubin, to the Ottoman Empire and to Salonica on a special mission to discover new trading opportunities with the East.[133] Aubin left his office in Düsseldorf and headed to the Levant, Salonica being his final destination. There he wrote one of three reports on the Levantine trade for his principal. Finlay, a company heir, successful merchant, powerful politician and well-known opponent of chartered companies, had three objectives. He had sent Aubin to the Ottoman Empire to explore the possibility of expanding British trade outside the area of French domination, where the Berlin and Milan decrees were in force.[134] Aubin was also instructed to identify possible safe routes in the Balkans through which British commodities could proceed to central Europe, even to countries under French occupation. The final objective was to report on the organisation and performance of the Levant Company in the area.

After a short stay in Smyrna, before visiting Brussa (Bursa) and Constantinople, Aubin arrived in Salonica in 1812. There he prepared a report on commercial land routes utilised by merchants to forward their commodities to central Europe and Vienna. According to Aubin, those British commercial houses trading in cloth and yarn – like Finlay and Co – that needed to bypass the continental blockade could find in Salonica the necessary combination of ships, merchants, factors, money, carriages and pack horses to get their goods to their destination safely. In his report, he described the prosperity of the city, which had become all at once a major junction of maritime and land routes connecting northern, central and Mediterranean Europe with the Ottoman Empire and the Middle East. In the port, there were some commercial houses that could represent Finlay and Co, like Vianello Sons and Co, Barxell and Faadt, and Overbeck and Co. The latter was a commercial house that had many connections with Jewish houses in London.[135]

Aubin described in detail the conditions of three land routes linking

Salonica with Vienna, providing details of economic and social interest. The route along the river Axios (Vardar), through Skopje, Kraljevo, Sarajevo and Slavonski Brod on the river Sava, was the one most European traders took, but it was also the most expensive. In 1812, merchandise from Salonica to Vienna was transported on this route, which was lined by a basic but expensive system of hostels, by an impressive number of caravans and almost 20,000 pack horses, in a journey that lasted many weeks.

Aubin provided Finlay with information and economic data so that he could decide on whether to sent a factor to Salonica to represent him; this would also require the company to accept Finlay's application to be made a freeman. Aubin calculated the cost of transferring one bale of cotton twist from Salonica to Vienna through Bosnia at 226.20 piastres, the cost of dispatching 1,000 Spanish dollars from Malta to Salonica and the cost of transferring cash from Malta to Constantinople, to Smyrna and to Germany. His conclusion was that to expand business in the Levant would require 'the employment of capital connected with more risk than profit'.[136] Finlay thus decided to engage a representative in Malta, which was outside the jurisdiction of the Levant Company, and to send commodities and goods from there to Salonica.

The comparison of the data for 1813, when the period of the 'Great Trade' was still in full swing, with the records for 1816–18 confirms the significant reduction in the volume and value of cargoes imported to and exported from the port of Salonica (see *Table 5.5*). The difference is more pronounced in the imports of indigo, cotton yarn, coffee, sugar and the tobacco exports. Although Malta remained for some years the intermediary station on the London–Salonica–London route, Salonica gradually became better connected with the Ionian Islands and the Italian ports of Leghorn, Genoa and Trieste. Hence in 1816, of the 12 inward bound vessels registered by the British chancellery of Salonica, four had arrived from Trieste, three from Leghorn, two from Malta, two from Genoa and one from Messina. Of the 14 outward bound, five had Trieste as their destination, five Leghorn, one Kefalonia, two Malta and one Genoa.

Table 5.5 British consulate in Salonica: manifests of cargoes, 1813–18[137]

Imports of Indigo						
Year	Crates	Chests	Boxes	Bags		
1813–14	321	116	148	32		
1816	12	–	–	–		
1817	2	–	–	–		
1818	2	–	–	–		
Cotton yarn						
Year	Bales	Packages	Crates	Boxes		
1813–14	2,465	19	–	–		
1816	17	–	–	–		
1817	5	–	–	–		
1818	–	–	–	–		
Sugar						
Year	Barrels	Crates	Chests	Boxes	Bales	
1813–14	445	326	104	1,906	25	
1816	19	10	–	–	–	
1817	10	10	–	–	–	
1818	3	47	–	–	–	
#						
Coffee						
Year	Sacks	Barrels	Bags	Packages	Bales	Crates
1813–14	1,160	153	1,067	3	72	59
1816	–	99	403	13	–	–
1817	80	–	–	–	–	–
1818	–	–	–	–	–	–
Exports						
Tobacco						
Year	Bales (Carada)	Bales (Yenidje)	Bales			
1813–14	1,275	743	65			
1816	–	–	5,510			
1817	–	–	–			
1818	–	–	75			
Indian corn						
Year	Kilos					
1813–14	–					
1816	12,741					
1817	13,536					
1818	4,192					

Similar data collected in a more systematic way by the French consuls in Salonica demonstrate similar trends and present 1812 as a peak year for Salonica's trade from 1810 to 1818. According to the French accounts, 1812 was a record year in terms of the imports of colonial goods and exports of raw materials. It also saw the greatest number of British ships enter the city's port. After 1815, the number of British ships touching Salonica diminished significantly. The French data referred to commodities like coffee, sugar, cochineal, indigo, tobacco and cotton.[138]

The members of the local factory and the local merchants, especially the Greeks, continued to trade British commodities under British protection. This type of collaboration and partnership, which the company developed and sanctioned with special measures during the French and Napoleonic wars, was becoming formalised in Salonica, as in other British trade outposts in the Mediterranean. In May 1815 Charnaud informed the company that British subjects were forming commercial partnerships with Greek Ottoman subjects against the company's regulations.[139] He mentioned the case of a commercial

firm founded by George Frederic Abbott and Theodore Choidas, an Ionian subject, in which the principal partner was a well-known, wealthy Greek merchant, Ioannis Gouta Caftangioglou. Charnaud referred to the company's bylaws which laid down that 'no foreigner can be partner with an Englishman and carry on trade receiving goods from Smyrna coming from H.M. Dominions direct, for their own account'. In February 1816, the company's reply to Charnaud presaged a decisive change in the company's strategy that was to be emphasised in the following years on many similar occasions: the company affirmed that 'with regard to partnerships formed by British factors with Turkish and other subjects, you are not to interfere, as the company posses neither the right nor the inclination to regulate therein'.[140]

According to Charnaud's reports to the company in London, the outbreak of the Greek war of independence in 1821 interrupted trade and navigation in Salonica. The persecution of the Greek merchant communities had very serious side effects on Salonica's European merchant community, which was connected through partnerships, as well as commercial and financial transactions, to the Greeks.[141] In contrast, military events and blockades enforced by Greek privateers in many ports were an everyday menace for merchant navigation. Charnaud sent detailed accounts of the situation to London and described the degradation of the city's commercial life. In July 1821 he informed the company that the *Brunswick*, a galleon loaded with coffee and sugar, arrived at Salonica but left the same day for Constantinople as it was unable to find someone to buy its cargo for cash.[142]

The crisis that had hit the British community led some of its members, and Charnaud 'in his private capacity of a merchant', to organise a consignment of provisions to the Zeithun in Syria in the middle of the war between the Ottoman Empire and Persia;[143] Charnaud had come to an agreement with the Ottoman authorities in Salonica. In August 1822 the British vessels *Darlington*, *Wheatly* and *Roller Simms* were employed by the pasha of Salonica, who, according to Morier, had instructions to freight only British vessels and send them to provision Ottoman ports blockaded by the Greeks.[144]

The consignment of provisions to various areas of the Ottoman Empire during the first years of the Greek war of independence, in collaboration with the Ottoman authorities, brought in some profit to the British merchants, until the moment the British government decided to support the Greek revolutionaries. Charnaud recognised that British merchants in Salonica and elsewhere had consigned goods to the Ottomans in the Morea, breaking the blockade of the Greeks.[145]

The initiative of the British merchants was later condemned by the British government, which gave precise instructions to the company to ensure that its members, being British subjects, would not interfere with Britain's foreign policy and violate the country's declared neutrality in the conflict between Greeks and Ottomans.[146]

In October 1821 the company's rejection of Charnaud's proposal to purchase the premises of the British consulate in Salonica was a clear indication that an era was coming to an end. According to the British consul, the persecution of the Greek merchants by the local authorities had destroyed the city's economy and had brought all commercial transactions to a standstill. Among those imprisoned were Greek merchants who, according to Charnaud, had contributed large sums of money to the revolutionary war. Those Greeks and Jews who had some money were afraid to invest in any kind of enterprise or transaction.[147] As Liddell, the company's secretary in London, informed Charnaud, 'relating to the purchase of a house at Salonica I am directed by them to inform you that the company do not desire to take any concern therein. The court sympathise with you, on the distressing state of things, described in your several letters: It is not possible for them to give instructions to their Officers in Turkey at such a crisis of affairs.'[148]

The American Trade

The expansion of American trade in the Levant during the French and the Napoleonic wars presented the company's administration with a new challenge, involving a host of major issues. First, the American re-export trade of colonial goods prejudiced British trade in the Mediterranean and in the Middle East operated by members of the Levant and the East India companies. American ships and subjects traded in the Ottoman Empire under British protection, hoisting the British flag and enjoying the privileges of the company's freemen. The company had to establish the consulage rates for American trade conducted between London, Malta, Constantinople and Smyrna. It also had to cope with various problems deriving from the methods and techniques adopted by the Americans who wished to do business in the Levant, augment their profits and avoid charges. The American merchants and vessels often operated a simulated, undercover trade, at the expense of the direct trade operated by the company's members, in order to avoid paying dues to the company or to British customs when transporting Ottoman produce to Britain.

The French and the Napoleonic wars and the continental system offered to American vessels under a neutral flag the opportunity to

break in the blockaded ports of the continent and expand the American re-export trade across the Mediterranean.[149] The American re-export trade of colonial goods in the Mediterranean operated in a vast area, part of which was under the Levant Company's jurisdiction. It was also an activity that interfered with the British Levantine and East India trade. American ships carrying cod, grain and naval stores from various parts of North America had been sailing to the western Mediterranean under the protection of the English Crown since the seventeenth century.[150] On their return voyage, they sometimes carried Mediterranean goods to England, where they loaded English manufactures and brought them back home.[151] After American independence, the British navigation acts did not allow the export of Mediterranean goods to England in American vessels, and some American captains engaged in an intra-Mediterranean trade to make additional profits. In order to protect the activity of its merchant fleet and sustain the expansion of its commercial presence in the Mediterranean, the United States government sought to establish peaceful relations with the Barbary states and to organise its own consular service.[152] By the 1790s American consuls had been appointed to Malaga, Alicante, Barcelona, Marseille, Genoa, Leghorn, Rome, Naples and, after 1797, in Venice and Trieste, in Tangiers, Algiers, Tunis and Tripoli. At the beginning of the nineteenth century, consuls were appointed in Malta and Palermo and the Balearic Islands.[153]

The French revolutionary wars provoked an enormous boom in the American re-export trade: American ships imported large quantities of valuable West Indian goods to Mediterranean ports.[154] The wartime disruption to shipping enabled the United States to become a major intermediary in the commercial relations among the belligerents and one of the major neutral carriers in the Mediterranean.[155] Malta's transit port became a common port of call for American vessels, which utilised the island's extensive warehouse facilities, delivering part of their merchandise, provisioning and completing their cargoes.[156] On their return trip, American vessels often passed through London, where they unloaded Levantine goods brought from Constantinople and Smyrna before proceeding to the United States. French attempts to prevent the import of British manufactures to various continental ports in the Mediterranean and the Atlantic led to organised smuggling, in which American ships were involved.[157] Leghorn emerged as the major centre for American shipping in the Mediterranean. By 1806, American ships imported goods worth $5.3 million, consisting mainly of West Indian products, to the Tuscan port. Although American ships occasionally left in ballast, their exports of silk, soap and wine were significant, amounting to $2.5 million in

1806. Americans relied heavily on the British merchants established in Leghorn.[158] Marseille and Palermo were another two important ports of call for the Americans.[159]

From the early nineteenth century, American vessels leaving Leghorn or Marseille began to reach new destinations in the eastern Mediterranean, mostly the major ports of the Ottoman Empire, Smyrna and Constantinople and the ports of the Barbary coast. Between 1804 and 1807, the number of clearances issued to American ships arriving at Leghorn to proceed to other Mediterranean ports soared from 32 to 42 per cent. In 1807 eight vessels sailed to Smyrna and Zante and two to Trieste. From Marseille, half of the ships that arrived in 1807 sailed to another Mediterranean port.[160]

Under the British Orders in Council of 1807, American neutral vessels travelling in the Mediterranean were required to obtain a British license. The British interference in the American Mediterranean trade produced tension between the two countries and was one of the reasons that led to the Jefferson embargo, imposed in 1807, on all British vessels trading in the United States. One of the unexpected side effects was the increase in American vessels carrying American and Levantine goods to Britain from the Mediterranean, goods that before the embargo arrived at British markets on British vessels coming from American ports.[161]

On 20 November 1806, John Lee, the treasurer at Smyrna, was given precise instructions on how to charge American trade according to company bylaws two, three and five, which also regulated the consulage duties charged on Malta's trade.[162] Lee, who had incorrectly charged a duty of 7 per cent on goods exported from Smyrna by Americans, was requested to conform with the company's orders and return an overcharge of 871,80 piastres to three American vessels from Baltimore and Philadelphia, the *Phoebe*, *Dolphin* and *Glory*. Revealing the genuine ignorance of treasurers and custom collectors or their attempt to collect more consulage duties on American vessels, similar incidents took place at various times in Ottoman and in British ports. The company had on several occasions to consult with the Board of Trade and customs officials before deciding on a final set of guidelines, procedures and charges concerning American shipping and trade in the Levant. Matters became even more complicated as the Americans often sailed and traded with British trading licenses and protection patents.

The cases of the ships *Erin* and *Sally Ann* in the summer of 1808 reflected the politically and diplomatically complex and delicate situation in which the British authorities, the Americans and the Levant Company were implicated. Sailing with a British licence, the

Erin had arrived at Liverpool from Smyrna with a rich cargo belonging to the American company Rathbone, Hughes and Duncan. Revenue officers seized the cargo soon after its arrival and made representations to the Levant Company, which communicated with the under-secretary of state for foreign affairs to confirm the ship's licence, which had been issued one year before. The cargo was released after the American merchants paid the customary dues to the company.[163]

On 6 August, the secretary of the Board of Trade, Stephen Cottrell, contacted the company about a petition presented to the board by an American, Henry Bloomfield. Bloomfield informed the British authorities that the American ship *Sally Ann*, commanded by Stephen Glover, had arrived in the port of London from Smyrna and Malta with a cargo laden principally with freight for the account of Levant Company members. Also on board the ship were 49 cases of opium and 60 blocks of copper, which, as they belonged to Americans, would have normally been charged with extremely heavy duties. Bloomfield, who represented the American owners of the cargo, requested permission to warehouse the opium and copper in London before re-exporting them. Cottrell approached the company once more, relaying to its secretary, George Liddell, the board's request to have the company's opinion on the issue and a confirmation that part of the *Sally Ann*'s cargo indeed belonged to its members. Liddell was eventually directed by the general court to confirm with the Board of Trade that part of the cargo belonged to its members and that the general court did not object Bloomfield's petition to warehouse the opium and copper in London.[164]

The issue of the British protection offered to American vessels and subjects trading in the Levant was raised for the first time by Isaac Morier, the company's consul in Constantinople, in a letter sent to, Robert Adair, the ambassador, on 6 December 1809.[165] In his letter Morier referred to the problems arising from the granting of British protection to American ships and subjects trading in Constantinople and Smyrna.[166] Morier reflected on the question of granting British protection to American ships and subjects to enable them to trade in the Ottoman Empire, as no commercial or other treaty had been concluded between the two countries. The measure seemed to be ‘hurtful to our own trade from England and Malta’ but overturning it would possibly lead the Americans to obtain French, Swedish, Austrian or Danish protection. If the British government attempted to obstruct their trade, it would probably cause a new round of unwelcome disputes with the United States. Besides, as the American ships brought mostly colonial articles, their trade did not hamper the

company's trade in manufactured goods. The Levant Company could, rather, gain significant advantages if British protection was granted to the Americans: first, their cargoes were 'for the most part consigned preferably to British subjects, Members of the Levant Company here and at Smyrna'. Second, the company collected a considerable amount of consulage levied on goods received from and shipped to America. Finally, as the chief staple products of the Ottoman Empire were not consumed in America, American vessels delivered many return cargoes consisting of these products to Malta and England. These advantages would have been lost if British protection was refused to American ships and subjects. However, Morier insisted that protection should be granted prudently, on the condition that the masters and supercargoes of American ships would conform to the company's bylaws, present true manifests of their cargoes to the British chancelleries in every port and make true entries of the goods delivered or laden, thus allowing the treasurers to collect the due consulage. These conditions could not seem unreasonable to the Americans, Morier concluded, considering that 'having no treaty of peace and commerce with the Porte their Navigation and trade to these parts reap such considerable profits by favour of the British protection'.[167]

Morier's assessments of the advantages that could be obtained by Levant Company merchants did not take into account the fact that the vast majority of the American vessels entering the Mediterranean at the turn of the nineteenth century, and even after the Napoleonic wars, re-exported colonial products, in particular sugar, coffee, pepper and logwood, which had a negative effect on the activities of British East India merchants. The size of American vessels employed in this trade, the specialisation of the American merchants and the value of the goods transacted – which increased threefold from 1793 to 1806 – represented a real menace for British colonial trade.[168] Morier came to this realisation very soon, when between September 1809 and January 1810 four large American vessels arrived at Constantinople from Boston, Salem and Baltimore laden with large quantities of colonial goods.[169] For example, the *Telemachus*, a brig commanded by Captain Townsend, contained the goods listed in *Table 5.6*. The *Eleanor*, a schooner commanded by Captain Stanford, carried 620 bales and 33 bags of mocha coffee, while the *Calumet*, commanded by Captain Holmes, and the *America*, commanded by Captain Ropes, contained the goods listed in *Tables 5.6* and *5.7*, respectively.

The arrival of these cargoes in Constantinople alarmed Morier, as he realised that the large quantities of East Indian produce arriving in the Levant interfered immediately with 'our trade'. During the same

period, American vessels arrived at Smyrna from Philadelphia, Baltimore, Boston, New York, Salem, Havana, Brazil, St Bartholomew, and also the Italian ports of Trieste and Ancona, bringing cottons, sugar, spices and colonial products.[170]

Table 5.6 Cargo of the *Telemachus*

India goods	27 bales and 2,572 pieces
Pepper	154 bags
Coffee	175 bags, 34 casks and barrels
Ginger	71 bags
Sugar	108 bags, 1 barrel
Frankincense	11 barrels
Myrrh	7 bales
Mocha coffee	6 bales
Tobacco	3 klds
Copper	3 barrels

Table 5.7 Cargo of the *Calumet*

Havana sugar	773 bags
Pepper	252 bales
Coffee	94 bags
Cotton	23 bags
Logwood	6 tons

Morier referred to the need to raise the issue with the directors of the East India Company and reflected once more on the dilemma faced by the company: to refuse granting protection patents to the Americans, to attempt to effectively control their commercial activity and to lead them into taking the protection of some other country or to continue assisting them and reap the advantages of a relationship based on collaboration and interdependence. This latter choice would postpone the appointment of an American ambassador at the Porte, a treaty of commerce between the United States and the Ottoman Empire, and the establishment of American factors in Ottoman ports, developments which Morier 'devoutly' hoped 'could be prevented in time'.[171]

A different line of reasoning entirely was developed in consul Werry's correspondence with the London administration. Werry was particularly concerned with the consequences of American trade on the activity of the company's members. He also maintained that the American import trade of Levantine goods from the Ottoman Empire would harm British imports to the United States, which consisted of

colonial and Levantine goods and British manufactures. In 1810 he foresaw that the purchase of large quantities of goat wool and hare skins by the Americans in the Ottoman markets was designed to kickstart the American manufacture of hats, a product hitherto exported to the United States by Britain.[172] Werry's protests were dismissed by the company's administration, which recognised that American indirect trade conducted with Britain could not be prevented and any 'attempt to embarrass [it] … by withholding assistance and protection when required of us or by demanding a greater sum for consulage than that received by foreigners' would aggravate the situation.[173]

Table 5.8 Cargo of the *America*

Piece goods	200 bales
Pepper	1,130 bags
Sugar	600 bags, 117 casks, 3 klds
Cassia	10 packs
Mocha coffee	50 bags, 40 bales
Coffee	218 bags, 25 bales, 2 barrels, 22 klds
Gum arabic	200 bales
Frankincense	22 bales
Myrrh	12 bales
Ginger	616 bales
Rhubarb	12 chests
Indigo	5 chests
Tea	15 chests

Obtaining the protection of a country that had signed capitulation agreements with the Porte was the only way for American merchants and ship owners to avoid paying the customs duties imposed by the Ottoman authorities on Ottoman subjects.[174] The policy of the Ottoman customs authorities towards American trade was to charge all merchandise imported from the United States at 6 per cent, a very high rate compared with the duties paid by all the trading nations that had signed capitulation agreements. In November 1810, consul Werry informed the administration in London that, following an agreement reached with the Ottoman government, American ships sailing with the British flag would enjoy the privileges enjoyed by British merchants and vessels. However, as he claimed, there was still much more to do to 'moderate' Ottoman demands on American goods landed in Smyrna in the previous six months, before adopting the British flag.[175]

British protection was not the Americans' only choice and they

ensured they collected all the necessary information before opting for the safest and most profitable possibility offered to them once they entered Ottoman waters. As Charles W. Green, the supercargo of the *Calumet*, had explained very plainly to the British authorities in Constantinople, it was much more prudent for them to wait, while the cargoes were still loaded on the vessel, for their British patents to be issued first by the British consulate and then choose the British commercial firm on the spot that would represent them in the local market.[176] This tactic would allow them alternatives in the event that something went wrong in their negotiation with the British authorities, the patents were not issued and they were eventually forced to seek the protection of another country. If this happened after they had already chosen British commercial houses as intermediaries, they would then be obliged to spend more money on choosing other commercial houses and additional protection.

Although reasonable and shrewd, the policy of taking time to evaluate different opportunities and select options while already stationed in an Ottoman port without papers was extremely risky and could have unexpected consequences, jeopardising the safety of the cargo, vessel and crew. It also demonstrated ignorance of the general impatience that the Ottoman authorities expressed towards the tactical games undertaken by foreign merchants. In fact in February 1810 the Porte charged very high duties on the American ships *Calumet* and *America* for having entered Constantinople under their own colours and without having obtained a protection patent from any European nation when peace or commercial treaties did not exist between the two countries. Taking huge offence at their bold manner, the Ottoman officials would not allow the Americans to land their cargoes unless they paid the customs duties imposed on Ottoman subjects. A compromise was reached after some negotiation, resulting in the Americans paying a 6 per cent duty based on the Ottoman tariff. According to Morier, ‘had they entered the port under British colours and placed themselves immediately under British protection they would have paid according to the British Tariff’.[177]

The imminent Anglo–American war dramatically changed the company's attitude towards the Americans despite Morier's reassurances that he would continue to render them every service in his power. In February 1811, the company issued a stern warning to its consul general to refrain from granting any protection to American ships and subjects trading in the Levant. The consuls and the agents of the company throughout the empire were to be informed accordingly.[178] A similar letter was addressed to Werry, the Smyrna consul.[179] The company's official explanation for this sudden policy

reversal was that the Americans had utilised British protection to evade Ottoman customs duties. In an unexpected outburst of indignation against American ship owners and merchants, the company declared that it disowned similar practices which made 'the British Nation party to a kind of fraud' against the Ottoman government. The company's angry reaction was directly connected to the growing hostility between the two nations, which were on the brink of war. Violent incidents in the Atlantic and the Mediterranean, sequestrations of American vessels by the British and persecution by the Royal Navy of American sailors it considered to be deserters, served to build up tensions, leading to the suspension of American ships from the Levant for a time.

Morier complied with the company's orders and sent instructions to officials not to authorise American ships to hoist British colours but 'to protect them under their own as far as it can be done consistently with the good faith which we owe to the Turkish Government'.[180] He did not, however, miss the opportunity to defend the company's previous policy, clarifying that granting British protection to the Americans was not done for the purpose of enabling them to evade Ottoman duties, as the Porte had not fixed any specific rates for US subjects and ships. Therefore, no fraud was intended in allowing them to hoist the English flag, a practice that was consistent with article 33 of the capitulations, whereby all 'merchant – strangers' were allowed to 'come under the protection and banner of the ambassador or consuls of England'. Allowing the American vessels to hoist British colours had been 'advisable and political' as it secured deliveries for British factors and allowed the company's treasurer to levy consulage on the goods traded.

The company's sudden change of policy towards American trade annoyed the British government back in London and raised the subject of its unauthorised interference in British foreign affairs. In the following years, this subject led to more friction with British officials. When in 1811 the Smyrna consul, Francis Werry, withdrew the protection patents from some American ships arriving at Smyrna, the British *chargé d'affaires* at Constantinople, Stratford Canning, brought the matter to the attention of the secretary of state for foreign affairs, Marquess of Wellesley. A complaint was prepared against Werry, who subsequently asked the company to support him as he claimed he was acting on its orders.[181] In 1812, the under-secretary of state for foreign affairs, Edward Cooke, expressed his disapproval at the halting of British protection to the Americans to the company's deputy governor, Jacob Bosanquet. Cooke referred to diplomatic and economic problems that were likely to arise from the company's

political instructions to its consuls and reproved the company for not having informed the Foreign Office beforehand. Bosanquet expressed his regret through George Liddell, the company's secretary.[182]

Despite the war and friction at a political level between the company and the Foreign Office, company members and British protégés collaborated with American merchants and shipmasters by acting as commissioners and factors and receiving cargoes of colonial products at Ottoman ports. Among them were Wilkin and Woodman and Van Lennep and Co of Smyrna, who in October 1811 received a large cargo of coffee from the American ship *Herald*, which was mastered by John Chayters. In order to avoid paying consulage to the Smyrna treasurer, the British and Dutch merchants presented themselves as brokers of the captain. Werry reported the incident to the company.[183] The Americans were also reported to have devised various methods in order to avoid paying company dues; one of them being to tranship cargoes to the island of Chios, situated a few miles from Smyrna, and from there to load them onto Ottoman ships and send them to Smyrna under Ottoman colours. The company's vice-consul in Chios had great difficulty in collecting consulage and he kept Werry informed about his problems. A case described to Werry in one of his letters was that of the American schooner *The Swift*, which shipped a cargo of coffee to Chios from where it had been taken to Smyrna on an Ottoman vessel. *The Swift* had sailed from Trinidad, passed through Falmouth and had touched at Malta, where she had changed her bills of lading; she was to return to Trinidad loaded with wine.[184]

After the end of the Anglo–American war in 1815, American trade in the Mediterranean restarted but the conditions of peacetime dramatically altered the conditions of trade and navigation. In 1816, the arrival at Liverpool of William Wise from New York with a cargo of 110 bales of Ottoman sheep wool upset the company's administration. Sheep wool was a commodity imported in great quantities by the company's members and the American importer's intention was to apply for permission to import the wool to Britain, which alarmed the company.[185] In the following period, the company tried to reiterate its monopoly privileges and confirm the State's support for its trade against any form of indirect trade to and from the Levant, either by British or foreign traders.[186] This attempt failed, however, as in 1817 the British government decided to free the indirect trade operated between the Levant and Britain through Venice, Trieste, Genoa and Leghorn from the company's duties.[187]

In an 1818 report presenting the ‘general state’ of the company's interests based upon information and materials collected on the spot,

Nathaniel W. Werry, Smyrna's young vice-consul and son of its consul, Francis Werry, wrote that the American trade in colonial products with the Ottoman Empire had increased in magnitude and had harmed considerably British trade in the region. Those merchant houses that participated in this trade were engaged in undercover direct and indirect trade between the Ottoman Empire and Britain, buying return cargoes directed to British ports and British markets. And in order to surpass the problem of the exclusion of the American flag from British ports for vessels arriving from the Ottoman Empire, they chose to freight British ships for their return trip from the Ottoman Empire to Europe and then back to America. If this system was allowed to continue, Werry maintained, the Americans would take over the most valuable part of British trade in the Ottoman Empire, as there was scarcely a colonial article that the Americans did not bring to the Ottoman markets, including 'some articles which are substitutes for our staple articles'. The company had thus to be guarded effectually against this system.[188]

The young Werry's concerns exposed the company's vulnerable position within a system of international trade that encompassed a variety of free-trade strategies and developed at a quick pace. The appointment of William Huskisson to the presidency of the Board of Trade in 1823 and his effort to remove the restrictions on free trade imposed by the navigation acts culminated to the Reciprocity of Duties Act, which practically opened British trade to American and other foreign shipping wherever reciprocity was guaranteed between Britain and a foreign country.

CHAPTER 6

NEW PARTNERSHIPS: TRADING WITH THE OTTOMANS

In August 1803, the Greek merchant Soteery Anthoni wrote to the Levant Company administration in London.[1] At the beginning of his letter, which was written in French, he referred to his many years of employment as the company's agent and described briefly his career. He wrote:

> I doubt not that the Company is informed that since my most tender youth I have been trading in oriental India, where I have lived for many years and in different circumstances providing services to the Respectable Company and from there I departed and arrived in London and then – having spent some time there – I came here in Turkey and got established. And so, I have found here His Excellency Mr Sir Robert Ainslie, Minister Plenipotentiary of Great Britain to the Ottoman Porte and he had the kindness to designate me agent in Adrianopolis to look after the affairs of the British merchants there. And in Adrianopolis I have stayed for long. Finally I found myself to live here in Constantinople; and for several years I have continued to trade with your place enjoying always the high protection of England.

Anthoni referred also to the company's resolution some months before that prohibited Ottoman subjects like him, who enjoyed the protection of Britain and other foreign powers, from trading in British commodities and transporting their merchandise on British ships. ‘I have felt great sorrow for my trade,’ he continued, ‘as I was accustomed to trade with your place, and particularly, because I have been charged with a significant sum.’ He concluded meaningfully: ‘I was convinced that you always recognised the services and the zeal of people.’ He then proceeded with his main purpose, to request the

‘Respectable Company’ grant him permission to transport merchandise on British ships for his account ‘that will arrive throughout the year and will be worth no more than £10,000, a trifle sum compared with the Company's great affaires’. He promised, if allowed to carry on his trade, to address all his commissions to company members and ‘not to any other person’. At the end of his letter, Anthoni insisted that his business of importing British manufactures in the Ottoman Empire could bring no damage to the company's affairs. After so many years with the company, he could not bear the thought that even ‘the minimum damage might result for You’ from his activities. Anthoni's letter imparted the sense of respect and confidence that the great company inspired among Greek merchants. At the same time, it was a cunning effort to advance his business and protect his profits against a powerful corporation by offering his dedication, commitment and trustworthy services.

From the second half of the eighteenth century, Greek merchants expanded their commercial activity all around the Mediterranean and the Balkans, collaborating with European merchant houses trading in the Levant.[2] Greeks were involved with the international commercial networks operating in the Levant and established close business relations with representatives of the European commercial interests in the area.[3]

Anthoni was one of the many Greeks who were recruited to provide various services to the Levant Company in one of its operational centres. During this period, the company's members cooperated and set up partnerships, under the pressure of international conflicts and rivalry in the southeastern Mediterranean. War and competition hindered transport and transactions and favoured speculation, piracy and contraband activities. Trade needed new routes, new business structures, flexibility and boldness and, most of all, free partnership. The freemen's reaction to the changing circumstances often replicated tactics adopted by independent merchants and interlopers: to make profits, one had to seize the best opportunity available in the market. One way to carry on business was to collaborate with citizens of neutral states; another was to associate with intrepid, experienced and well-connected local operators.[4] Throughout the French and the Napoleonic wars, British merchants and their factors chartered Greek Ottoman vessels and captains in order to evade blockades and sequestrations by enemy ships. The emergence of a Greek Ottoman merchant marine from the eighteenth century onwards provided the belligerents with an important neutral carrier in the Mediterranean.[5] The company's trade opened up eventually to Greek, Jew and Armenian Ottoman subjects – traditionally monopolising commercial

and financial operations in important Ottoman market places – as freemen sought footholds in local markets.[6]

Trading with the Ottomans delivered profits but involved significant risks, too. The British merchants risked being implicated in dangerous and interminable deals inside a foreign and often hostile environment and with very little chance to successfully defend their case in front of an Ottoman tribunal. Ottoman Christians and Jews took advantage of the status and privileges they enjoyed as Ottoman subjects, and combined them masterfully with British and other European protection.[7] When implicated in disputes, they were sometimes weak and ineffective when confronted with the powerful and coordinated reaction of a grant chartered company. By granting British protection and licences to trade with it, the company guaranteed a stable source of revenue, developed a local milieu of reliable assistants and associates and established relationships of dependency and trust with local authorities. However, this process implicated it in numerous contentious cases, claims and frauds that necessitated skilful and delicate intervention.

Ottomans had been recruited as agents and intermediaries to local producers from as early as the seventeenth century.[8] However, the suspension of the British navigation acts in 1797, which precipitated corresponding changes in the company's regulations, allowed the company to open up to Ottoman subjects, mostly Greeks, Jews and Armenians, who gradually permeated the structures of British trade, establishing themselves as independent operators who would eventually compete with the company's freemen. These developments had an institutional background and many unexpected contractual and individual consequences.

The Trojan Horse

The conflicts of the late eighteenth century induced the company to open its trade to Ottomans and foreigners who could transport British merchandise safely to blockaded ports, act as cover ups to avoid property sequestration by enemies, and offer intermediation in local markets. Throughout the French revolutionary and the Napoleonic wars, collaborations and partnerships that were endorsed by the British state and proclaimed in the company's new regulations developed.

During the eighteenth-century wars (the wars of the Polish and Austrian successions and the Russian–Ottoman wars), Greek pirates and privateers operated under special licences from powers on all

sides of the conflicts and came to dominate the Mediterranean trade.[9] From the late eighteenth century Greeks were employed by British, French and Dutch merchants as brokers, intermediaries and shipmasters.[10] Their knowledge of local languages, familiarity with Ottoman society, local contacts and an ability to adjust to a vast range of opportunities gave the Greeks a distinctive advantage that was exploited by many British merchants in order to expand their business. The Levant Company tried to prevent this trade, which was in contravention of the rules prohibiting partnerships between freemen and foreigners. When the French revolutionary wars broke out, however, conditions in the Mediterranean compelled British merchants to find safe ways to transport their merchandise and one way of doing so was to allow Ottoman vessels and merchants to carry British goods from the Levant to Britain and back.

In 1797 the navigation acts, which restricted the transport of goods to and from Britain and its colonies to British ships, were temporarily suspended to allow British traders, who were under pressure, to find other ways to transport goods.[11] A new act allowed British goods to be carried on Ottoman vessels. The company introduced new regulations in its bylaws and sent a circular to all its factories with instructions on how to conduct their transactions. 'It will be advisable during the time that the Act of the last Sessions of Parliament Cap. 84 shall be inforce,' the company wrote, 'not to make any opposition to the entry of any goods coming to Great Britain in ships arriving under Turkish colours, provided such goods be the property of Ottoman subjects and be consigned to and entered by Members of the Company, and do pay the like Duties to the Company, as the Goods would be subject to, if belonging to the Members of the Company.'[12] On the occasion, the usual affirmation made by the members upon the entry of goods from the Levant was substituted with a new one:

> By the Oath I have taken by the Levant Company, the goods abovementioned are for account of myself or others free of the said Company or of such as have their License to Trade or are purchased by Freight received in Turkey or Egypt by Ships navigated according to Law or are the Property of Ottoman subject: and the same are to the best of my knowledge, belief and information truly and bona fide the property of such persons as a foresaid, and that there is no intention by any Species of Colour, Fraud or Collusion, to declare them to be otherwise than as they really are.

In the same year, the first formal navigation licence, granted by John Spencer Smith, *chargé d'affaires* in the British Embassy at

Constantinople, went to a Greek Ottoman polacca, the *La Buona Speranza*.[13] The polacca was to proceed directly from Patras to London 'with a cargo consigned to Mess. Lee, members of the company for the account of Mess Pandaleon Sgutas, Apostolis Papacos and others of this place'. Informing the administration about the licensing, Smith took the opportunity to complain about the shortage of British commodities throughout the Levant, pointing out that 'a numerous convoy should not overstock the Turkish markets'. The fall in running ships, he sustained, could hardly be calculated and the few frigates arriving from Gibraltar could not ensure the regularity of trade 'in the state the Mediterranean has been all the last year'. For all these reasons, Smith thought that the company's new policy was particularly opportune at a moment when there was 'an increasing spirit of speculation amongst the subjects of this Country with respect to foreign trade' that could eventually turn to the advantage of British trade. He had already supported the opening up of the company's trade to the Ottomans when, in a letter sent to the company in 1797, he had insisted that any such kind of collaboration between the British and Ottomans could and should not be contested as the capitulations did not exclude reciprocity and British law was 'insufficient for the suppression of all intrusive navigation'.[14] Smith's opinion was defied by one of the most powerful and active officials in the Levant at the time, the merchant Francis Werry, consul at Smyrna. Werry was extremely sceptical of any kind of reciprocal trade agreement between the company and the Ottomans, fearing such a deal would become permanent. He also expressed his fear that Ottoman subjects, the Greeks in particular, would gradually interfere in British trade and hinder the company's monopoly. Only some months after the suspension of the navigation acts, he wrote to Smith that the 'Greek raya[15] of Smyrna tempted by the advantage arising from certain goods, and meditating to send their property to England in Turkish-built vessels, navigated in conforming to our navigation act […] this could be detrimental to the shipping interest at home and that of the R.W. Company'.[16] Werry asked for instructions on how to deal with 'the business' and Smith discouraged him from taking any restrictive measures that would be equivalent to an 'unpopular official opposition of the attempt' of the Greeks to trade with England.

And yet Werry was proved right very soon. Only a year later, in 1799, the privileges conceded to Ottoman subjects by the company expanded considerably, allowing them now to conduct trade in British vessels as well and, like company members, to pay only single duties in return. This new resolution provoked severe reactions and many officers in the Levant refused to implement it. George Abbott, treasurer at the Constantinople factory, refused to register and charge

the company's consulage on Ottoman-owned goods imported on British ships. He was reproached by the company's administration, which confirmed in plain and severe terms to Abbott that the Ottomans had a 'right' to give orders to members of the company to ship goods on British ships on their account from Britain.[17]

Similar reactions followed before long. Partnerships with Greek and other Jewish and Armenian Ottoman enterprises offered significant benefits to those company freemen who could adapt quickly to the new circumstances and seize the best opportunities available in the market: the Greeks and the other enterprising non-Muslim Ottomans charged low prices, had connections in local markets and could provide information on business partnerships and the general state of the market and mediate with the local authorities. The new regulations, however, considerably damaged those freemen whose judgment and strategy ruled out collaboration with foreigners. They now had to face a new kind of competition sanctioned by the company that practically annulled their monopoly privileges. Their reaction became even stronger when it was understood that some Ottoman subjects combined British protection with that of other European states, transferred their British trading licences to other Ottomans and foreigners and refused to pay duties to the company by appealing to their Ottoman citizenship.

In 1803 the Constantinople and Smyrna factories decided to react unilaterally, without any previous consultation with the administration in London. On 14 March, the merchants Peter Tooke, Thomas Thornton, William Tuckwell, James Barband, John Prior, Niven Kerr and Stephen Maltass, all members of the Constantinople factory, held an assembly at the British embassy in Pera. In the presence of Alexander Straton, *chargé d'affaires* at the embassy, the factory decided unanimously that the broke of 20 per cent should be levied on goods imported from Britain by Ottoman subjects who enjoyed British and other foreign protection as well.[18] John Prior, treasurer of the factory, was given specific orders on how to levy these additional duties.

This tactless reaction of the factory infringed on the company's hierarchy and order. It had been triggered and fuelled by the recent arrival at Constantinople of two British ships, the *Mary* and *Jupiter*, loaded with goods addressed directly to Ottoman subjects enjoying British and additional foreign protection. This incident had exasperated the British merchants. In a letter sent to the company accompanying the minutes of the assembly, they protested against the company's strategy to allow special benefits to Ottoman *rayas*.[19] As they argued, the company's intention could not have been to extend

privileges to persons who cunningly combined British and other European protection to achieve better profits at the expense of the British merchants. They insisted that persons 'of this description' should be charged with the broke levied on all those foreigners with no trading licence.

The members of the Smyrna factory – Lee and Sons, Morier and Wilkinson, John and William Maltass, Duveluz and Co, John Perkins, John Shoolbred, A. and Ed. Hayes and Co, Franel and Jackson and Francis Werry – protested against the company's policies on the grounds that they had 'laid open trade as any foreign merchant could carry on his business in the name of his brokers with even less restrictions than any freeman or English merchant trading individually'.[20] Werry insisted that Ottoman subjects, 'Greeks and others', should be wholly excluded from the company's trade otherwise 'the ruin of our trade will follow as a natural consequence'. This subject should not be considered as an affair between governments and arranged by treaties, Werry argued, commenting ironically on what he saw as a preposterous idea on the part of the Greeks 'that they have a natural right to our trade' and that 'they should be permitted to interfere with the trade of a chartered Company'.[21] It was only four years earlier when he had praised the Greek merchants of Smyrna and revealed the contact between the two merchant communities that allowed the British to get reliable information on social and financial issues: 'The Greek community, respectable as a body of men chosen from the most opulent of that nation here, is the only source from whence we can derive any accurate information of the state of health in this place.'[22]

Back in London, the company responded cautiously to the reaction of the two factories against the implication of Ottomans in British trade: the general court refused to confirm the resolution of the Constantinople factory and an appeal was made to its members to postpone any action against the Ottoman subjects. Any brokes charged before new orders had been received by the company were to be returned.

The company took some time to consider the matter 'in a more solemn manner' and in a few months it decided to alter its bylaws and put Ottomans who enjoyed both British and other European protection on the same footing as other foreigners, charging them with a broke of 20 per cent on the value of the British commodities they traded.[23] When the Smyrna factory requested the company go further, by depriving even those Ottoman subjects who traded exclusively under British protection of their special privileges, the general court's reaction was firmly negative. As it was pointed out, any further

alteration of the bylaws or any kind of affirmation respecting the admission of goods that belonged to Ottoman subjects would jeopardise the interests of the company's members and their factors: 'There are good and sufficient reasons for this determination,' the company replied, in a letter to the Smyrna assembly, 'but such as it is not necessary to insert here.'[24]

The company's attitude towards Ottoman subjects combined political expediency with economic strategy. It reflected its firm conviction that the 'system of trade' between Britain and the Ottoman Empire should not change, as any thoughtless unilateral decision on the part of the British could provoke a policy of reprisals from the Ottoman side. The fear of retaliation was recurrent and arose in the company's arguments every time there was a rupture with the Ottoman authorities. This anxiety dramatically influenced its decisions and policies and made the administration particularly cautious about its dealings with Ottoman subjects. In 1804, in a letter to Francis Werry, the company revealed another reason behind its support for Ottoman merchants: granting special privileges to Ottoman subjects – the Greeks in particular – to trade exclusively with company members was also a way of containing their activities. 'If the Company were to prevent Greeks from trading with members they will be driven to the necessity of trading with those who are free and shortly of establishing houses in London, as they have done in Holland and in time to monopolise all the trade with the utter exclusion of both factors and members at home.'[25]

This strategy quickly proved ineffective. Within a few years, the Porte appointed the first Ottoman consul general to London to manage the commercial concerns of its subjects in the city. An important development from a political and diplomatic point of view, this appointment confirmed the growing participation of Ottoman subjects in British trade and the transfer of their commercial and financial interests to England. This development enhanced the diplomatic and commercial relations between the two countries and gave the company a good footing to put more pressure on the Ottoman authorities to permit the appointment of a British consul general in Constantinople. In a letter to the company, dated 24 May 1806, the designate for the position, Isaac Morier, was optimistic that after many delays, the Porte would now acknowledge his appointment.[26]

With the same letter, Morier informed the company of another development that was bound to dramatically influence the collaboration and transactions between the Ottomans and the Europeans in general. In order to crack down on the wholesale abuse of the system of protection patents or *berats* granted to Ottomans by

foreign diplomatic missions, the Porte had published a resolution obliging its subjects holding a *berat* to take up residence in the places specified on their patents and the respective *firmans*/edicts. Anyone who could not conform to this obligation would have their *berats* confiscated from them.[27] While Morier believed this reform was instigated by France 'with views easy to be guessed at', in fact it was an important and decisive step taken by the Porte in order to clamp down on a system that had got out of control, allowing a wealthy part of Ottoman society to evade taxes and Ottoman justice.[28]

The measure was effective as it compelled many Ottoman subjects under British, Russian and other protection to return to their previous status as '*rayas*' and, therefore, subject to taxes.[29] Similar measures would follow, but the foreign missions always found ways to keep their protégés and defend their interests. Granting *berats* to Ottomans conferred power and local connections to the Europeans; it was also a very important source of revenue, as protection was sold at handsome prices.[30] The British ambassador and the consuls not only bestowed protection patents on locals employed as personnel and assistants in the embassy and the consulates, but also on powerful and wealthy merchants and brokers that collaborated with company members.

After 1805 the Porte made an attempt to identify and appeal to its most enterprising subjects by inviting them to enlist to a new order of merchants. Membership of the order, appropriately named the 'European Merchants', entailed important privileges and tax exemptions, this time granted by the Ottoman state.[31] The alluring title and the important concessions offered did not dissuade Greeks, Jews, Armenians or many Turks from seeking protection from European diplomatic authorities and contracting partnerships with British and other European merchants.[32] In 1812 the Porte prohibited all its subjects, with the exception of those employed as interpreters at European embassies, from taking the protection of foreign missions. The Ottoman brokers of the British factors had their licenses withdrawn.[33] This disturbing situation was remedied through the intervention of the British ambassador, who provided the Ottoman brokers with certificates of protection under his own signature; according to Morier, this solution 'answered its purpose' for some time.[34]

British protection, collaboration and partnership enhanced relations and led to other important contractual forms of association. Between 1795 and 1812, 29 persons were appointed as British vice-consuls and agents in various minor ports in the Levant, cities and islands in the Aegean.[35] At least 18 of them were Greeks. Some were of Italian origin and came from those Aegean Islands that had been under

Venetian domination until the seventeenth century. But Giorgio Gropius, appointed as vice-consul in the city of Volos, the port of Trikeri and dependencies and the island of Skopelos, was German. Two agents, one in Adrianople and one in Ankara, had been appointed by ambassador Robert Liston.Twelve consuls, vice-consuls and agents had been chosen by Lord Elgin during his short term of office as ambassador. Three vice-consuls were appointed by Robert Adair and four by Stratford Canning. Pietro Michele was appointed as vice-consul in the island of Milos by Charles Arbuthnot in 1806.

Table 6.1 British vice-consuls and agents in the Ottoman Empire, 1790s–1820s

Name	Office and location	Appointed by (date)
Andre Terrasson	Agent in Adrianople	Robert Liston, patent, 3 November 1795
Spiridion Lascari	Agent in Ankara	Robert Liston, patent, 4 November 1795
Carlo Giuseppe Zambelli	Agent in Rhodes	John Spencer Smith, patent, 1 January 1797
Giovanni Cristoforo Cattiffis	Agent in Tripoli, Syria	John Spencer Smith, patent, 1 January 1797
Luigi Pasquale Malagamba	Vice-consul at Acri	John Spencer Smith, patent, 1 March 1799
Antonio N. Vitale	Consul at Tino	John Spencer Smith, patent, 30 October 1799
Dimitrio Frangudi	Agent in Limassol, Cyprus	John Spencer Smith, patent, 1 November 1799
Israel Terragano	Consul at the Dardanelles, Gallipoli, Tenedos and dependencies	Earl of Elgin, patent, 1 January 1801
Pietro Cabani	Vice-consul in Myconos	Earl of Elgin, patent, 1 January 1801
Giovanni Galici	Agent at Enos (Enez)	Earl of Elgin, 5 March 1801
Giovanni Giudici	Vice-consul in Chios	Earl of Elgin, patent, 24 October 1801
Niccolo di Antonio Gripari	Vice-consul in Sifnos and Ios	Earl of Elgin, patent, 12 January 1802
Antonio Damiani	Vice-consul in Jaffa	Earl of Elgin, patent, 3 June 1802
Basilio di Antonio Manochini	Vice-consul at Spetses	Earl of Elgin, patent, 29 October 1802
Spyridion Logotetti	Vice-consul in Athens	Earl of Elgin, patent, 14 December 1802
Gasparo Delenda	Vice-consul in Santorini and dependencies	Earl of Elgin, patent, 20 December 1802
Niccolo Frangopulo	Vice-consul for Naxos, Paros and Antiparos	Earl of Elgin, patent, 20 December 1802
Spyridion Foresti	Consul for Messolongi, Anatoliko (Aitoliko), Casteli, Preveza, Vonitsa, Parga, Butrento (Butrint) and dependencies	Earl of Elgin, patent, 21 December 1802
Pano Cominioti	Vice-consul for Messolongi, Anatoliko, Casteli, Preveza, Vonitsa, Parga, Butrento and dependencies	Stratford Canning (1810–12)
Giorgio Nioni	Vice-consul for Messolongi, Anatoliko, Casteli, Preveza, Vonitsa, Parga, Butrento and dependencies	Earl of Elgin, patent, 21 December 1802, resigned
Giorgio Janotiki	Agent in Tripoli in the Morea (Peloponnese)	Earl of Elgin, patent, 21 December 1802, vacant
Pietro Michele	Vice-consul at Milos	Charles Arbuthnot, patent, 18 September 1806
Stefano Vitale	Vice-consul at Siros	Appointed by Mr Vitale Consul at Tinos
Giorgio Gropius	Vice-consul in Volos, Skopelos, Trikeri and dependencies	Robert Adair, patent, 5 June 1810
Domenico Damaco	Vice-consul in Zea	Robert Adair, patent, 5 June 1810
Niccolo Pangalo	Vice-consul in Zea	Stratford Canning reinstated (1810–12)
Giacomo Giustiniani	Vice-consul in Scala Nuova (Kuşadasi)	Robert Adair, patent, 4 July 1810
Pietro Capogrosso	Vice-consul at Crete	Stratford Canning (1810–12)
Giorgio Livini	Vice-consul at Samos	Stratford Canning (1810–12)

Vice-consuls and agents resident in minor ports and islands assisted British merchants, shipmasters and royal convoys. They provided various services to British subjects and represented them before local

authorities when necessary. They relayed valuable information to the company on local societies and people, trade and navigation, adding to its knowledge of and connections in distant areas. As the consul Francis Werry phrased it in 1811, ‘the utility and service they render us is undeniable in giving the earliest advice of all transactions and information by which His Excellency Minister is duly informed at an early period and the merchant put on his guard against privateers’. In fact, the letters sent to Werry's office by the vice-consulates referred to privateers infesting the Aegean Sea, the capture of British vessels, and the arrival and departure of merchant ships. In 1812 Werry reported to the company that he had been informed by the vice-consuls of ‘Canea, Miconi, Naxia and Samos’ (Chania, Mykonos, Naxos and Samos) about eight privateers under French and Italian colours cruising in the vicinity. The Mykonos vice-consul had also told him that an Anglo–Maltese brig, loaded with rice and oats from Samos and bound for Malta, had been captured by a privateer at anchor at Porto Naussa (Naousa) on the island of Paros.[36] As has already been mentioned, the vice-consuls appointed to the Aegean Islands corresponded directly with Werry's office in Smyrna and, for this reason, the consul had employed a clerk ‘to transcribe Greek and to correspond with these agents’. The letters they sent to the company's headquarters were dispatched to London via Smyrna. They did not receive salaries but were usually granted annuities as a gift upon leaving office; on special occasions they were allowed a percentage bonus over the consulage collected, which ended up being very low.[37] Werry recognised their important task and frequently referred in his letters to their meagre compensation. In a letter to the company's secretary, George Liddell, in 1817, he identified them as ‘poor fellows’ often deceived by the masters of merchant ships of the paltry dues they collected.[38] As he admitted, ‘were it not for the power the Company has delegated to them to remunerate them […] no person of character would serve us.’[39]

A benchmark in the development of the company's connection with Ottoman traders was the Anglo–Ottoman war in 1807. Soon after its outbreak, the ambassador, the consul general and the factories and their officers were all transferred to Malta, where they remained for two years. Leaving behind their property and assets in the Ottoman Empire, the British merchants from Malta sought to conduct their trade even though no British vessels were allowed to enter Ottoman ports. In a provisional solution, the company permitted its members to charter non-Ottoman vessels to ship Levantine commodities to the Ottoman Empire and Britain.[40]

Two years later, the Treaty of the Dardanelles provided for a full

restoration of the capitulations. According to its fifth article, 'England shall grant reciprocally her unlimited favour and a friendly treatment to the flags, subjects and Merchants of the Sublime Porte who hence forward may frequent the Dominions of His Majesty to prosecute commerce therein.'[41] This affirmation practically annulled the company's strategy, imparted in the letter addressed to Werry in 1804, and gave a considerable thrust to the establishment of Ottoman-owned commercial houses in Britain. For the next 100 years at least, the centre of Greek trade between Britain and the Levant would be in London.[42] Greek Ottoman vessels continued to carry cargoes for company members to and from the Levant, alongside vessels belonging to other nationalities who had obtained licenses to carry British goods after the Anglo–Ottoman war.

As the chartering of foreign ships by company's freemen expanded after the end of the war, the company attempted to intervene in order to support British merchant navigation. But again, Ottoman vessels were protected. In Constantinople, the consul general, Isaac Morier, was urged to issue a public notice proclaiming that 'no goods or merchandise whatsoever of the growth, produce or manufacture of Turkey shall be allowed to be imported in Great Britain' for account of the owners and commanders of all foreign vessels loaded at any port or ports of the Ottoman Empire, 'notwithstanding such indulgencies here to for granted'.[43] Ottoman vessels were excluded from the ban. When the French imposed a continental blockade on shuttering transports and transactions in the Mediterranean, the connection between British merchants and the Greek Ottoman merchant marine got even stronger.

Meanwhile, Ottoman merchants, mostly Christians and Jews, were slowly introduced to British trade. As independent traders, they ventured into chartering British or British-flagged Greek Ottoman ships to transport their merchandise from London to the Levant and back. Operating since the seventeenth century as agents, brokers and intermediaries between European merchants and local producers, Greeks, Jews and Armenians were now collaborating with British firms at the same level, having established independent enterprises in various Ottoman and foreign commercial centres.

This clear deviation from the company's protectionism prejudiced the interests of some British merchants who lost their businesses to foreigners. Competition led to tension and conflicts. Ottoman subjects were frequently accused by the Levant officers for refusing to pay consulage on their goods carried by British vessels. In 1813, Werry, the consul in Smyrna, informed the consul general about the attempt by some Greek merchants at Smyrna to induce the Porte to exempt

Ottoman subjects from paying consulage on goods consigned to or loaded by them onto British ships.[44] According to Werry, the Greeks were supported by the local governor. These common and disquieting incidents led again to some officers to act personally and punish Ottoman subjects, without giving previous notice to the company. Among them was Werry, who, on his own initiative, put a sequestration on the goods of those Ottoman subjects that carried their cargos by British ships at Smyrna but refused to pay consulage. In 1815 his practice was revealed and reported to the company in London. The general court reproached him for his conduct, directing him to withdraw any sequestrations of Ottoman property 'instantly'.[45] The end of the Napoleonic wars and the establishment of conditions of free and safe trade in the Mediterranean and the Atlantic exposed the problem even further. Many company members resident in the Ottoman Empire requested confirmation of their exclusive privilege to engage in the direct trade between Britain and the Ottoman Empire and requested that the company bring Ottoman subjects under its control and restrict the various methods they had devised to augment their profits and avoid the company's rules. In his report to the company, Smyrna's vice-consul Nathaniel W. Werry referred to the Greeks' practice of lending their names to foreigners who wished to trade and enjoy the privileges granted to the Ottomans by the company; he also mentioned their tendency to offer, at very low prices, their services as intermediaries and commissioners to British merchants who were not members of the company who wanted to expand their business in the Ottoman Empire but did not have the necessary knowledge, connections and information. Werry referred particularly to the case of the wealthy Greek merchant and British protégé Homeros, a member of one of Smyrna's most powerful merchant families. He described in detail his open and undercover transactions in collaboration with British and foreigners, manipulating his status as British protégé, sometimes lending his name to other foreign enterprises and at other times operating under the cover of foreign merchants and brokers to avoid paying the company's duties completely.[46]

This intermingling of methods and techniques of direct and indirect, simulated and undercover trade operated by Ottoman protégés in collaboration with British and foreigners attracted the attention of British merchants back to London who were looking for commissioners and intermediaries in the Levant markets. In 1818, a Robert Thompson of London Street requested precise information from the company's secretary, George Liddell, on the cost of these services.[47] Thompson wanted to know whether 'goods imported by Ottoman subjects from the United Kingdom by ships under the British

flag [were] liable to the payment of higher rates of consulage than would be levied upon them if so imported by British subjects'. A few months later, the company's chief customs collector in London, J.A. De Reimer, asked for instructions on how to deal with applications to his office from Ottoman subjects requesting permission to import goods from the Levant on their own account or for other Ottomans established in the city. When the general court was informed about this situation, it resolved that until further notice, De Reimer was to permit 'such persons to make entries on payment of the company's single duties' and on signing an affirmation that stated: 'I affirm that I am an Ottoman subject and that the goods above mentioned are for account of myself or of other Ottoman subjects.'[48] By the time De Reimer asked for instructions on how to deal with the increasing applications from Ottoman subjects to import goods from the Levant, a network of Greek Ottoman commercial enterprises in Constantinople, Smyrna, Leghorn, Trieste, Ancona, Vienna, Odessa, Rostov, Marseille and Alexandria was operating in the southeastern Mediterranean and the Balkans, trading grain and Levantine products for European manufactures and colonial goods; it would appear that many of them had already established commercial transactions in Britain as in the following years some of these enterprises opened offices in London and Manchester, from where they monitored their trade, shipping and financial interests.[49]

During the same period, the company's official stance regarding Ottoman trade with Britain complied with bilateral agreements and conformed to the state of Anglo–Ottoman relations; behind its cautious and at times submissive approach remained the old protectionist attitude and the fear of retaliation by the Ottoman authorities. 'An attempt to surcharge such persons,' Liddell explained to Robert Thompson, 'would probably fail and by exciting the attention of the Turkish government might produce a reaction very injurious to British mercantile interests.'[50] This was a very negative prospect, especially as it came amid a prosperous period for British trade in the Levant that arose soon after the end of the Anglo–Ottoman war and reached its peak in 1812, with the vast increase in the exports of cotton yarn and textiles to the East.

This expansion of British trade went hand in hand with free enterprise and partnership, threatening the company's survival and undermining the interests of those few members who were still attached to traditional methods and had not already deviated from its rules. In 1819, a long letter from the deputy governor, Jacob Bosanquet, to the consul general in Constantinople, John Cartwright, revealed a shift in the focus of the company's attention from the

Levant factories to the system of market relations developing in London.[51] Bosanquet discussed methods to abolish the discrimination against British subjects under the fifth article of the Treaty of the Dardanelles, which, he said, placed 'Ottoman subjects upon a better footing than Members of the Levant Company'. He also claimed that Ottoman subjects tended to lend their names to cover the trade of other foreigners, inflicting more harm on the trade of British freemen, but concluded cautiously that 'although the Company feels the effects of the rivalship of Ottoman subjects they only desire security against the abuse of privileges which have been conceded to those subjects'.

According to Bosanquet, there were three ways to remedy this inequality: to seek the involvement of the British government, which would enact legislation placing the Ottoman subjects on the same footing as the members of the Levant Company; to release the members from part of their oath; or finally, seek the intervention of the Porte to prohibit its subjects from lending their names to cover the trade of fellow Ottomans and non-subjects of the Porte. He proposed the third option as the most appropriate and convenient at that time and gave orders to Cartwright to confer with the Constantinople and Smyrna factories and then solicit the ambassador 'to endeavor to provide some remedy for this growing evil'.

By the 1820s, however, it was impossible to contain free trade or impede the direct involvement of Greek and other Ottoman merchants in British trade. This realisation on behalf of the company ran parallel with a growing awareness that this type of organisation had outlived its purpose and that soon the government would opt for a free national trade policy. In 1819, the company attempted to demarcate its area of interest and develop a different business perspective for its members, by permanently lifting all restrictions on partnership with foreigners. George Liddell was authorised to ask the company's solicitors, J. Kaye, Freshfield and Kaye, about the legality of specific commercial agencies performed by the company's members and foreigners.

The questions posed to Joseph Kaye, the head solicitor, revealed the system of market relations prevailing at the time within British–Ottoman commercial transactions.[52] They concerned the possibility for members of the Levant Company to act legally as agents in the Ottoman Empire and in the United Kingdom for the commercial purposes of aliens (not denizens), wherever such aliens were resident. They also referred to the ability of Ottoman subjects, under the fifth article of the Treaty of the Dardanelles, to establish themselves unconditionally in the king's dominions and act as agents for aliens (not denizens).

The plan for a redefinition of the company's role, through a review of its privileges and a new delineation of its members' rights and obligations, was overtaken by events. In 1821 the outbreak of the Greek war of independence dramatically kept British trade in check in the Levant for some years.[53] As the conflict grew and implicated European powers, the Levant Company had to comply with the government's political stance towards the belligerents and face the consequences for its trade. Particularly detrimental was the restriction by the Porte of the right of Britain to navigate and trade freely in the Black Sea, a concession achieved by the company in 1799. After 1821, British vessels passing the straits on their way to the Black Sea or returning were detained, searched and surcharged by the Ottoman authorities. British corn ships passing the straits coming from Russia were stopped by the authorities, who took their cargoes and paid for them at the lowest market prices. British navigation through the straits was interrupted and the British merchants were notified by the Ottoman customs that certain articles could be transported into the Black Sea only under the Ottoman, Austrian or Russian flags.[54]

The foreign secretary, George Canning, was informed about these developments by the company's deputy governor, Jacob Bosanquet, who also outlined all their negative political and economic consequences: Britain was ‘degraded from our footing of equality with Russia’, while British navigation and trade were hindered.[55] Another predicament for the company during this period was ensuring the safety of its members, amid growing hostility against the Europeans, and safeguarding the assets of those who had business deals with the resurgent Greeks. The sequestration by the Porte of Greek property directly affected the Greeks' many creditors, who claimed their money from the Ottoman authorities.[56] In the Smyrna area alone, the claims of British merchants on Greek property amounted to £40,000 in 1822, an astonishing figure considering the liquid assets of the company at the moment of its dissolution three years later were worth approximately £70,000.[57]

The Porte's partial exclusion of Britain from the Black Sea trade was probably due to concerns about the extent of business connections between British and Greeks, which had grown from the Ottoman Empire to encompass the whole Mediterranean region and London, and the neutrality regulations adopted by the British state during the Greek–Ottoman conflict. In May 1823, the British government had requested that the company direct all its officers in the Levant to ‘observe an entire neutrality […] with respect to the contest prevailing between the Turks and the Greeks’.[58] In a general notice sent to all its factories, the company transmitted the government's order that British

subjects and officers in commission throughout the Levant should recognise ‘the right of blockade on the part of the Greeks and will discountenance any attempt to violate it’. Any British vessel detained for forcing a blockade would ‘be left altogether to the judgment of their captors’.

These government guidelines were aimed at stopping the profitable venture, undertaken by some British merchants during this period, of carrying corn and victuals on the account of the Ottoman state to areas blockaded by the Greek fleet. It was, therefore, a clear policy in favour of the Greeks; one bound to provoke the contempt of and reaction by the Ottoman authorities while also disappointing some British merchants.

The implication of the company and its members in the Greek–Ottoman conflict in ways that contravened Britain's official policy gave the government another argument to reconsider the company's status and its utility; it proved that national trade, as another powerful form of international relations, should be governed by a national authority that would give precise, compulsory guidelines and have direct control over diplomatic officers and British subjects in their independent ventures. In 1824 Canning informed the company that his ministry was assuming the authority over British diplomatic representations in the Levant.[59] This prospect led the company to make a last attempt to introduce a new bylaw that would allow its members to operate legitimately as agents and commissioners for foreigners and Ottoman subjects trading between Britain and the Ottoman Empire. This new regulation, if endorsed, would allow company freemen to act as intermediaries for foreigners and export merchandise of foreign production from Britain. It would also permit them to sell in Britain Ottoman products belonging to foreigners or for their account – on payment of the same dues and rates they paid in their own trade. These types of services were already provided to British and foreign commercial houses engaged in direct and indirect British trade in the Levant by independent British merchants, Greeks and other Ottoman subjects.[60]

The matter was raised by the company's secretary, George Liddell, with the company's legal advisors in London in 29 May 1824. Only two days later, Liddell, in a reply to a letter by William Jones, a customs collector in Dublin, reflected on the period of uncertainty the company was going through. Jones had sought instructions from Liddell on how to handle an ordinary situation.[61] A non-member of the company importing valonia, presumably from the Ionian island of Zante – requested an exemption from the broke of 20 per cent usually charged to non-members for Ottoman imports. ‘I have only to state,’

Liddell told Jones, ‘that under existing circumstances you did well to [be] satisfied with his certificate of the valonea being of the growth of Zante – which possibly was the fact. I would recommend your persisting in this prudent course, in future similar cases. The next sessions of parliament may produce changes in these matters.’ And he concluded condescendingly: ‘I fear we must be contended to take the duties on the indirect importations as we can when we cannot as we ought.’

The laxity of control mechanisms and a permissive attitude towards free trade and partnerships was the final act of the company's play. Almost 100 years after the first liberal pamphlet had been published demanding its closure, a large part of society and many politicians openly questioned its outdated organisation and low performance against free dynamic enterprise in an era of industrial growth. In 1823 William Huskisson, an advocate of these ideas, was appointed president of the Board of Trade and over the next two years he took all the necessary steps to delegate the company's power to the State before dissolving it in 1825.

Some Contractual and Individual Aspects of an Unforeseen Partnership

The collaboration between British traders and Ottomans, generally Greeks, Jews and Armenians, between the 1790s and 1820s was determined by a complex series of setbacks, priorities and interests. These encounters took more precise forms and developed institutionally from the eighteenth century. The pursuit of opportunity and profit by both sides in this encounter developed within precapitalist market conditions and engaged both the British and Ottomans in a multifaceted relationship of dependency. As the British sought local footholds to further their business interests, they insisted on their monopoly rights as members of a chartered company. To forward their own particular interests, Greeks, Jews and Armenians chose to do business within a structured institutional environment (such as the Levant Company) where contractual, non-flexible relations prevailed. They thus acquired British protection and gradually permeated the British Levantine trade as intermediaries, commissioners, ship owners and ship masters and, eventually, as independent import–export operators. Throughout this process, they maintained the benefits they enjoyed as Ottoman subjects. Some of the particular contractual and individual aspects of this encounter, as they developed within an existing system of precapitalist market relationships, structures and processes, are presented in the following

examples. Collaboration forged new market relationships and multiplied opportunities for new business. The incidents described below reveal how various types of association brought the British merchants and their factors together with members of the local societies in short- or long-term ventures. The transport and market conditions during war and in peacetime, bureaucratic complications and state policies and, most of all, the pursuit of profit, determined the when and how of these associations. All cases referred to were litigations, disputes, claims and frauds that required some kind of intervention by the administration and the Levant officials. As such, they present the inconclusive and risky aspects of some types of collaborations, illicit activities and unsuccessful partnerships. Being typical and detailed paradigms of many other similar incidents, however, they offer a close-up, fascinating view of their development and complexity. The incidents are interesting for another reason. They depict the legal environment within which the European merchants lived and did business: inside this environment the capitulations played a significant role but, ultimately, were limited in their jurisdiction and scope. As the following cases demonstrate, they did not apply to a wide range of situations in which British and other European merchants were implicated in foreign environments. Although cases involving only Europeans and their protégés were in theory resolved and adjudicated by their ambassadors and consuls, anyone, Ottoman or European, could refer to the Ottoman jurisdiction (a *qadi* court or the imperial *divan*) to resolve disputes and conflicts, especially when Ottoman subjects were involved. Long discussions and negotiations between British representatives and the Ottoman authorities usually resulted in a settlement, but there were cases that remained unresolved.[62]

The St Antonio di Padova

Throughout the French revolutionary and Napoleonic wars, British navigation in the Mediterranean was extremely perilous as all vessels sailing under the British flag ran the risk of being stopped by French frigates or French privateers and their cargos being sequestrated. To ensure free and safe navigation, the British merchants chartered ships of other nationalities, mostly neutral vessels – and, after the suspension of the British navigation acts in 1797, Ottoman ships – to carry their merchandise undercover all around the Mediterranean.[63] The Republic of Ragusa (Dubrovnik) had a very important merchant fleet that sailed under its own distinctive flag. Ragusa was a vassal state of the Ottoman Empire, which conferred on it special rights in trade and exemptions in tax that extended throughout the realm. Until

1806, when it surrendered to the Napoleonic armies, Ragusa's merchant vessels were often chartered by British merchants to transport their merchandise to various destinations. This system was not always effective. In every inch of the Mediterranean a relentless economic war was being fought between the British and the French, who were aware of such tactics, after stopping ships sailing undercover and examining their licences and the identity of their cargoes' proprietors, consignor and consignees. The case of the *St Antonio di Padova*, a ship owned by a Ragusian subject sailing under the Ragusian flag and carrying British property, caused great annoyance to the company and led to protracted negotiations with the French and the Ottoman authorities that lasted many years. In this case, a Greek merchant had acted as a cover for a British company to carry its merchandise secretly from Smyrna to Hamburg at the height of the French revolutionary wars. The ship was loaded at Smyrna by the Greek merchant house of N.B. Dragalizzas and Co for the British A. and E. Hayes and Co, a Levant Company member. On this occasion, Dragalizzas operated as a citizen of Ragusa. The cargo was insured in London by a group of insurers represented by Robert Hunter, another respectable member of the Levant Company. Soon after its departure in 1798, the ship was seized by a French frigate and returned to Smyrna, where the cargo was condemned by the French authorities and held on suspicion of being British property. Dragalizzas, acting for Hayes, collected the insurance but continued to claim the property from the French government until he obtained a ruling compensating Hayes with a sum equivalent to the sale price of the cargo after deducting the cost of transporting and capturing it. When put up for sale by the French, the cargo produced 98,000 piastres, of which 30,000 piastres were said to have been paid by the captors to reimburse Captain Pavlovich and cover various other expenses. The remaining 68,000 piastres were deposited in the French chancellery in Smyrna. When the Porte declared war against France and the property of French subjects in Smyrna was seized, this sum was collected and remitted to the Ottoman state. Claiming the money, Dragalizzas protested but the Porte, following its usual practice, appointed a commission to investigate and rule on the case.[64] The commission eventually acknowledged Dragalizzas' claim as legitimate, but its ruling that the money be returned was not complied with and 11 years after the ship's seizure, in 1809, the money was still outstanding. At least three ambassadors and a *chargé d'affaires* – the Earl of Elgin, Alexander Straton, Charles Arbuthnot and Robert Adair – endeavoured to recover the British property. Additional pressure was put on the diplomats by the London insurers through Robert Hunter, who personally recommended the urgent prosecution of the case. Since his

appointment as consul general at Constantinople, Isaac Morier became heavily engaged in the affair and solicited persistently the support of both Arbuthnot and Adair in settling it.[65]

The Madonna di Caligata

By transporting their merchandise on foreign ships under foreign flags and presenting their goods as foreign property, British freemen managed to overcome the difficulties of war and, at the same time, discovered new opportunities to develop their businesses in collaboration with foreign merchants, intermediaries, ship owners and ship masters, particularly with Ottoman subjects with whom the British merchants and their factors encountered within local markets. Even so, the risk of being captured by the French was high and many Ottoman vessels were stopped and investigated on suspicion of carrying British property. The *Madonna di Caligata* affair was an indicative example of the wartime risks and complications faced by British merchants when they attempted to deliver their merchandise to Ottoman ports. An Ottoman vessel, the *Madonna di Caligata* was captured by a French privateer while transporting a rich cargo of British property from Malta to Constantinople. It was then taken to the island of Chios. As the seizure of the vessel had taken place in neutral waters, the British ambassador and consul protested to the governor of Chios and claimed the cargo. As in the case of the seizure of the *St Antonio di Padova*'s cargo, the British, after losing their property to the French, once again were entangled in the machinations of the Ottoman bureaucracy. The usual delays in the delivery of *firmans* (resolutions) from the governor of Chios and the Porte – attributed also to the Ramadan period – gave the French the time to sell the cargo and secure its proceeds so as to evade any orders from the Porte to return it.[66]

The Greek Committees

Business in the middle of war took place in a distinct environment with its own rules, processes and priorities; a continuous game of trust and suspicion, exchanging information and credit and seeking opportunity and profit. This game transcended national barriers, rivalries and alliances as its players were connected primarily through the market rules of give and take. A letter written in 1799 by Bartholomew Pisani, the principal dragoman at the Constantinople embassy, to the minister plenipotentiary, John Spencer Smith, reveals some unexpected and extraordinary types of transactions between the British and Ottomans and British and French as they developed during

the French revolutionary wars.[67] When implicated in the conflict, the Ottoman authorities began to sequestrate all French merchandise transported within the Empire on the grounds that it was enemy property. To avoid abuses, mismanagement and fraud, the Porte appointed two committees, one in Constantinople and the other in Smyrna, to examine and rule on the legitimacy of all such seizure cases.[68] Both committees were composed exclusively of Greek merchants and operated under the direction of Inspector General Yusuf Agha Efendi, who had previously (1793) been the first resident ambassador to Great Britain, at the court of King George III. M. Skiender, Constantin Madragioglou, Cosmo Mamouri and Capary comprised the Constantinople committee and Alexander Rostundi, Yani Ralli and Amiras that of Smyrna. In 1799 the two committees examined a number of cases concerning goods traded by British merchants and a British protégé that had been sequestrated as being the covert property of the enemy, that is French subjects trading in the Ottoman Empire. The goods were detained by the Ottoman authorities until the two committees had made their decision. The cases concerned 40 ballots of shalloons, two barrels of cochineal and six ballots of cloth, all claimed by Maltass and Co; one parcel of coffee claimed by Ant. Baccatori and Co; seven ballots of cloth claimed by John Perkins; and finally six barrels of cream of tartar and 20 boxes of glass, claimed by Hayes and Co. A bill of exchange for 1,700 piastres, found in the hands of one British subject, was also seized on suspicion of belonging to a French merchant. Invited by the committees to prove the legitimacy of their claims, some British merchants refused to produce their vouchers and books. Maltass maintained that the shalloons had been detained as French property by mistake as the receipt (*tezkere*) of the duty that had been paid had been erroneously compiled in Belgrade. He also declared that the cochineal and the cloth had been bought by himself from a merchant named Pazzi. Perkins stated instead that his merchandise had been bought from a merchant called Bonin. Finally, Hayes claimed that the cream of tartar and the glass had been bought from Jean Baptiste, a merchant, through an Armenian merchant intermediary called Aslan. The British claims were still pending when Pisani addressed Smith, the minister plenipotentiary, to inform him about a proposal he had received from Skiender, on behalf of the two committees. The intent of Skiender's letter was to blackmail the British merchants into paying a 5 per cent commission to the committees for each case they would examine. The commission would be offered to them ‘for their trouble, in the same way as claimants belonging to other nations have done’, but Skiender insinuated that the offer would convince the members to draw favourable reports that would eventually deliver the disputed property

to the British merchants. According to Pisani, Skiender had begged him to inform the merchants concerned that the request should not be considered as a formal clause but as an act due to them for their 'pains' and so he 'left [it] to our merchants to grant or refuse'.[69] The blackmail of the Greek committees was denounced by the company, which disapproved of Greeks being appointed to examine disputes between British and foreigners for the obvious reason that such measures would expose its officers and members to pressure and illegitimate claims. Interestigly, the opinion of the Smyrna consul was quite opposite. In a letter to the company in 1800, Francis Werry maintained that the company's members could derive considerable benefit from the appointment of Greek committees to examine merchants' disputes and sequestrations of property, as the Greeks' inclination to bribery would allow the British to forward their interests simply by disbursing the necessary sums of money.[70]

The Cranidi Sponges

The case of the Cranidi sponges was described as 'atrocious' by consul general Isaac Morier in a letter he sent to ambassador Charles Arbuthnot on 14 September 1805.[71] In this complicated affair, the British officers and merchants were implicated in a long and difficult dispute over the illicit seizure of British property and its public sale by the Ottoman authorities. Nicholas Strane, the company's consul at Patras, had a contract with the proprietors of the fishing boats of Cranidi for all the sponges harvested in 1804.[72] Strane conducted this business on his own account and that of company members Messrs R.W. and E. Lee of London. The British officer and merchant had also bought sponges from the Cranidi fishermen in 1801, 1802 and 1803. The whole venture relied on the involvement of Greeks, who bought the sponges from the local fishermen and transported them to their final destination in Patras from where they were to be shipped to London. The 1804 harvest – 44 bales of sponges – had been delivered to Giovanni Conomo, agent of John Cordia of Argos, who himself was an agent of Strane. Of the 44 bales, 34 were shipped by Jaso Conomo, apparently Giovanni's relative, on the vessel of another Greek, Antonio Pandeli Reis, and were shipped to Nafplio from whence they were forwarded to Argos on their way to Patras. But Antonio Pandeli Reis, who owed a large sum of money to a powerful Ottoman, Achmet Aga, became bankrupt. Other Ottoman agas, who had guaranteed his debt in order to protect themselves against Achmet Aga, procured a false sentence (*ilam*) from the judge (*qadi*) of the city declaring that the sponges belonged to Antonio Pandeli Reis. On the basis of this *ilam*, Achmet Aga obtained from the Porte a resolution (*firman*) allowing

the pasha of Tripolizza (Tripoli) to seize those sponges (34 bales of which were already at Argos and the remaining ten bales at Cranidi) and to auction them. Notwithstanding Strane's protests, the public sale took place and the proceeds were paid to Achmet Aga. The company protested heavily at the injustice to its members and forwarded to the Ottoman authorities a claim for 17,174 piastres, a sum that included the value of the sponges (15,354 piastres) and the cost of reclaiming them (1,820 piastres).[73] The claim was accompanied by a number of supporting documents proving that Antonio Pandeli Reis had no concern in the sponges and that they had been purchased on behalf of Nicholas Strane for the account of R.W. and E. Lee. These documents even included an attestation from the Greek Orthodox archbishop of Nafplio confirming that John Cordia had paid the masters of the fishing boats at Cranidi. The archbishop's attestation also specified the contents of each bale as delivered by the Greeks. In addition, the company also produced receipts issued by the head Ottoman customs official at Nafplio for the 200 piastres paid by Cordia in duties on the sponges and also other custom receipts proving that Strane had been the purchaser of the sponges harvested in 1801, 1802 and 1803. Finally, the invoice for the 44 bales of sponges, amounting to 15,354 piastres, was sent to the Ottoman authorities together with all the accounts of expenses incurred in recovering the sponges. After repeated representations by the company's officers, the Porte consented to indemnify R.W. and E. Lee and on 27 January 1807 sent an envoy to the Morea to recover the money. Despite this, Strane was not reimbursed, as only two days later the Anglo–Ottoman war broke out, resulting in all the factories and company officers evacuating the Ottoman Empire for Malta. When the factories returned to the Ottoman Empire in 1809, the affair was still pending and took a number of years to resolve.[74]

The Catiboglu Hadji Mohammet Efendi Case

The dual function – economic/commercial and diplomatic – of the company's officers in the Ottoman Empire determined their relationship with Ottoman bureaucracy. The ambassador, consuls and vice-consuls were involved in negotiations concerning political and commercial issues, offered gifts – the famous *avanias* – and favours to local authorities to maintain the privileged status of the British against other European merchant communities.[75] The relations of trust and interdependence bonding British and Ottoman officials led them to engage in various types of transactions. In 1808, John Green, the treasurer of the company in London, was directed by the general court to inform Earl Bathurst, president of the Board of Trade, of a letter

received from the governor of Smyrna, Catiboglu Hadji Mohammet Efendi. Catiboglu's letter referred to all the benefits the governor had offered to the British merchants in Smyrna before and during the Anglo–Ottoman war.[76] He also mentioned that when asked to seize and confiscate British property and prohibit the importation of any British cargo, especially from Malta, he had misled the Porte by declaring that he was unable to identify any such property in Smyrna. He had thus protected the considerable amount of British property left behind following the sudden departure of all the British factories from the Empire in January 1807. Catiboglu had personally borne the cost of sending a great part of that property away and had allowed the importation of several cargoes of British produce from Malta. In his letter, he claimed that he continued to do so even though the two countries were still at war. The purpose of Catiboglu's letter was to obtain from the company a special British licence that would allow him to safely send a cargo of Ottoman cotton wool from Smyrna to Trieste. Green reassured Bathurst that the facts set forth by Catiboglu were true. The Ottoman governor had in fact protected the property of the British factory left behind in Smyrna. Throughout the Anglo–Ottoman war there was considerable trade conducted from Malta to the Aegean Islands and to Smyrna ‘which could not be done was the said Governor less favorably disposed towards H.M. Subjects’. Obviously, as the two countries were still at war, the matter was extremely delicate from a diplomatic and political point of view. Granting a British trading licence to an enemy subject – who was also a public official – required the involvement and permission of the government. The whole situation required great caution and secrecy to avoid political reactions both in Britain and the Ottoman Empire. The company's position on the matter was positive: Green maintained that the company's interests would be essentially promoted and the export of British produce could be facilitated if the Board of Trade issued the licence. If, upon consideration of the circumstances, the government decided to permit such transactions, the licence document should either be granted to John Green individually and then transferred to the governor or handled delicately in a way ‘best adapted to the case’. The company, probably fearing political implications, insisted that ‘the nature of business precluded the application to the governor of Malta as in ordinary cases’. In September 1808 the licence was granted to Catiboglu and Jacob van Lennep, a Dutch merchant and British protégé at Smyrna, was the intermediary who conveyed the documents to him.[77]

Catiboglu was allowed to safely export a cargo of cotton wool to Trieste, on any ship, excluding a French one, and not exceeding a burden of 300 tons. The licence and its Italian translation were sent to

van Lennep with orders to present them to the Ottoman governor directly, using no intermediaries. The governor was to be informed that the licence was to protect one cargo only and could not be used a second time. He was to be given precise instructions on how to handle it through the voyage so as to avoid any problems. The licence was to be produced to British cruisers only in case of the ship being stopped; Green insisted that presenting it to an enemy ship would endanger the property and serve as a pretext for its confiscation. For the same reason, van Lennep should keep the whole affair secret. He was also asked to take the opportunity and refer to the 'prompt and effective attention shown by the Levant Company to the wishes of the Muslim [governor] in thus obtaining for him a license which is perfectly unprecedented and has been granted entirely with a view to enable the Company to offer an acceptable proof of [its] high respect'.[78] The company's purpose was to emphasise the importance of the favour made to the Ottoman official and oblige him to continue to make concessions and grant favours to the British in Smyrna in the future.

This relation of mutual dependence and exchange of favours developed in the following years. In 1810, during the Russian–Ottoman war, the British merchants successfully petitioned the Porte to allow Catiboglu to continue his career as governor of Smyrna and refrain from calling him to serve in the imperial army.[79]

The Serpos–Whittla Case

One of the major risks taken by the British merchants involved in business transactions with Ottoman subjects on Ottoman soil was the protection offered under Ottoman law to the Grand Signor's subjects in disputes with European merchants.[80] The British and other European merchants generally preferred to settle disputes in order to avoid lengthy and costly litigation that could tie up their capital and damage their good name.[81] On 15 October 1810, John Cartwright, a member of the Constantinople factory, requested a meeting of the assembly to lay before them a case that he believed was of great interest for the company's establishments in the Ottoman Empire and 'trade in general'.[82] The case concerned the business transactions between a British merchant at Malta and some Armenian merchants. V. Whittla, a British subject and supercargo of an English merchant house in Malta, arrived at Constantinople with goods addressed to an Armenian merchant, Michel Serpos. When some differences arose between the two, they mutually agreed to submit the case to a referee. As Whittla had to return to Malta, he left the management of the case and all his concerns to Cartwright. But, according to Cartwright, Serpos' affairs were in a 'deranged state' and two other Armenian

merchants became securities for him. Gaspar Andon and Andrea Minassian ‘signed the arbitration bond and gave their note of hand payable in 31 days for the sum of 33,985 piastres awarded to be due to Mr Whittla for balance of all accounts between him and Mr Serpos’. The affair would thus have come to an end if the two Armenian merchants had not instead violated the agreement and refused to pay to Whittla the whole balance of his accounts, but only a part of it (22,385 piastres). Serpos would thus retain a sum of 11,600 piastres. To secure their position, they also appealed to an Ottoman tribunal, which eventually sided with Whittla and gave orders for the payment of the whole sum.

Despite this, according to Ottoman law, the two Armenian merchants still had the right to appeal the judgment and evade the payment. The case gave rise to great concerns in the British factory at Constantinople and the consul general, Morier, urged the minister plenipotentiary, Stratford Canning, to put pressure on the Porte in order to obtain a redress of the affair. Morier insisted that it was an opportunity for Canning to represent to the Porte the disadvantages British merchants ‘have to labour under from the unequal footing on which they stand with Ottoman subjects in cases of that kind, apt to happen so frequently in the course of trade’. In another letter to the administration in London, Morier maintained that the company should request that the Porte introduce an additional article to the capitulations that would oblige Ottoman subjects to submit to the ruling of arbitrators after having signed arbitration bonds to that effect. After talks with the reis effendi, Canning finally succeeded in getting the Ottoman foreign secretary ‘to compound the business to the satisfaction of Mr Cartwright’. The two men agreed that the matter would be settled by a new arbitration committee consisting of two European and two Greek merchants, under an umpire who would be a European subject. The committee's decision could not be appealed.

To the great satisfaction of the British side, this method would serve as precedent for future arbitrations between British and Ottoman subjects.[83] The Armenian merchants were thus obliged to deposit the disputed sum in the British chancellery, which would then transfer it to the account of Whittla via the treasurer of the British factory.

The Serpos–Willis Case

Another business transaction, in which the Armenian merchant Michel Serpos was again involved, shows that sometimes the risk of losing money weighed upon Ottoman subjects. The association of the British merchant R.G. Willis with Serpos resulted in great losses for the

Armenian merchant, who strove to save his property and defend his rights by appealing to the British authorities. Morier referred the incident to the company administration, requesting instructions on how to handle the matter.[84] In February 1810, R.G. Willis, a British merchant in Smyrna, proposed setting up a joint business venture with Serpos. Willis would order through his London correspondent an assortment of goods from England, which would then be consigned jointly to Serpos and Willis's London correspondent. Serpos accepted the offer and pointed out to Willis an assortment of goods 'most proper' for the Ottoman market, to the amount of £10,000. These goods included various types of lavish superfine textiles made of wool, cotton and silk (shalloons, "*mahout*", dimities, British muslins and printed flower muslins), yarn and cotton twist. The order was given by Willis to his London correspondent in March 1810 and, as Willis informed Serpos, on 26 May the goods were purchased and were ready to be sent to him on the first available convoy.

According to the agreement, Serpos would pay for his part of the deal, and so he remitted to Willis the sum of 61,200 piastres in October 1810. Willis invested the sum in silk, madder root and gum arabic and sent the merchandise to his correspondent in London on two ships, the *Brillant* and *George*. The goods purchased by Willis, together with a parcel of pearls valued at 10,000 piastres, were intended to go towards paying for the goods expected from England. However the year ended without the arrival of the goods from England, as Willis had promised. Serpos and Willis exchanged an 'unpleasant correspondence' as it became obvious that the latter's claims in May that the goods were ready were false.

When the goods finally arrived in Smyrna, on the *Betsy* under the command of Captain Liston, they amounted to only a portion of the quantity that Serpos had requested. Serpos was informed by Willis that his London correspondent had held back part of the goods in London. When the invoice for the goods, dated 30 March 1811, and the bill of lading, from 4 April 1811, arrived, they proved definitely that Willis had lied to the Armenian merchant. In August 1811 Willis sent a cousin, a Mr Duthil, to Constantinople with a general power of attorney and instructions to demand from Serpos the amount of £2,200 as the balance due to him for the goods sent on the *Betsy*. According to Duthil, the goods' value amounted to £4,527 3s. 11d. and had been purchased and shipped for Serpos' account only. As Serpos refused to pay the sum within the 24-hour deadline given to him, Duthil submitted a complaint against him to the British chancellery at Constantinople and departed for Smyrna. Serpos reacted immediately by sending his clerk to Smyrna with a power of

attorney to demand from Willis the delivery of the goods upon his payment of the balance of their true invoice amount after deducting the cost of the produce that had been bought by Willis with Serpos' money and had been sent to England on the *Brillant* and *George*. Willis refused to deliver these goods as he had mortgaged them on 25 June for money he had received since August 1810. To make things even worse, a few days after it had been revealed that he had mortgaged them, Willis went bankrupt, on 23 August 1811. From his correspondence with Serpos and his answers to consul Werry's questions, it was confirmed that Willis had mortgaged the goods as being his own property when they were really and truly Serpos'. He had also fabricated their value, which amounted to only £3,531.

Canning, on the strength of an appeal from Serpos, asked Morier, the consul general, to appoint a commission to investigate the affair. The commission, formed in March 1812, decided after one sitting that the case would be better examined and settled in Smyrna, to which Serpos would not consent. Over the next two years, Serpos attempted to have Willis summoned before the Porte, in accordance with article 24 of the capitulations that stated that 'all differences or suits of law depending with the said Nation which shall exceed the value of 4,000 aspers shall always be heard and decided at our Imperial Porte'. After repeated solicitations to the Ottoman officials, Willis was finally ordered by the British ambassador to 'repair hither at the seat of Mr Michel Serpos an Ottoman subject of this place who has a considerable demand upon him for which he will not consent to come in as a Creditor under Mr Willis's bankruptcy'.[85] By that time, however, it had emerged that Willis had sold the merchandise bought with Serpos' money to the British merchants Lee and Sons, who became thus involved in the settlement of the affair. When it refused to participate in an arbitration of the case, the British company was accused by the Ottoman authorities of having played a role in this affair and its property was put under a general and indiscriminate sequestration by the grand vizier until Serpos received his money.[86] The Smyrna company members condemned the grand vizier's initiative as insidious, unjust and contrary to their rights. In a letter sent to ambassador Liston, they presented the sequestration proceeding as a 'national insult of the most gross nature' against Britain, claiming it was a precedent that would eventually 'destroy all commercial intercourse with Turkey'.[87] After attempting to bribe the Smyrna governor to lift the sequestration against the vizier's orders, the city's British consul, Francis Werry, decided once again to act unilaterally and retaliate by putting a sequestration on Ottoman property on board British ships. His initiative was denounced by the company and he was invited to release the Ottoman property at

once.[88]

Ottoman Principal and British Factors

A letter from Morier, the consul general, to the company on 30 June 1812 revealed another case of 'injustice' – in his words – against an Ottoman subject by British factors. The righteous and conscientious consul general argued that such phenomena were injurious for the factory and the company's interests in the Levant, caused much trouble, and occasioned unpleasant discussions between the ambassador and the Porte. His intention was to intervene with disciplinary action in order to discourage similar behaviour. For this reason, he required instructions from the company on how to deal with similar cases, given that the charter and the bylaws were not framed so as to 'sufficiently provide against' them.[89] According to Morier, an Ottoman subject of Constantinople had a claim on a Malta-based British commercial house that was a member of the company. He had solicited Morier to lay an attachment on property of the British house arriving from Malta on a ship and consigned to their factors at Constantinople. As the practice of laying attachments on property had been prohibited by the company – specific instructions had been conveyed to its officers and factories on 30 July 1805 – Morier refused to comply with the request from the Ottoman merchant.[90] Following his refusal, the Ottoman merchant addressed a memorial to the British ambassador complaining that some British members of the Smyrna factory, who were representing his firm at Smyrna, had instead accepted a sequestration of his property to an Austrian merchant at Constantinople, under an order issued by the Austrian consulate. Their act was a clear violation of the company's orders and exposed Morier to criticism from the Ottoman subject that he did not condemn and prohibit a procedure that some members of the company practised freely before his eyes. He therefore invited the British factors at Smyrna, through consul Werry, to annul the attachment and to satisfy the Ottoman merchant's demands.

In his letter to the company in London, Morier presented in detail his reasons against the British factors. First they had accepted an attachment from the Austrian chancellery, a country with whom England was 'considered as being now at war which appears to me illegal by the sense of the 39th article of the charter'. Morier maintained that even if such a sequestration were legal, the power of authority to enforce it would be reserved for a British consul or a magistrate. The Austrian merchant had not proved any debt against the Ottoman subject before laying the attachment; nor had he provided a security for any damages that might accumulate against

him as a consequence. Morier finally evoked the company's charter and its bylaws, arguing that as ‘the Ottoman subject was a principal and the gentlemen at Smyrna acted as factors to him, the latter by refusing to settle his demands acted also contrary to the ethics of the merchant profession and ethos of the company. In conclusion, he said that it was certainly against the intentions of the company ‘that the property of Ottoman subjects be unjustly withheld by any of Your factors’. The attachment was finally annulled, but the ‘gentlemen at Smyrna’ declared themselves unwilling to implement the consul's orders and satisfy the Ottoman merchant's claims.

The Cliris–Boddington Case

In another interesting case, a Greek and a British subject were involved in bribery and complicity in contraband activity. George Cliris was a Greek from the island of Zante (Zakynthos) who traded with Malta. Benjamin Boddington was a British merchant and chancellor of the Constantinople factory.[91] In 1813 Cliris put a claim on Boddington for the sum of 4,800 piastres that, he alleged, the latter had made him pay to obtain the sailing passes of two vessels loaded with corn for Malta.[92] These vessels were the *Antioca*, charged in January 1813 with 2,300 piastres, and the *Gitana*, charged with 2,500 piastres a month later. According to Cliris' report, the *Antioca* was loaded with 4,800 kg of corn worth about 50,000 piastres while the *Gitana* left Constantinople empty. Cliris' claims were contested by Morier as they contradicted the manifest that Cliris had sworn to and signed, stating that the *Antioca* had been loaded with 500 sacks or about 1 ton of corn and a few other goods. Morier had also obtained information that, of leaving the port empty, the *Gitana* had been loaded clandestinely at Constantinople or at Marmora with 6,800 kg of corn valued at 94,350 piastres.

Under Morier's direction, the factory's treasurer, Mr Wood, demanded Cliris to pay the consulage for the *Gitana* cargo, which came to 943.20 piastres. Cliris refused, arguing that he had already paid much more than that to Boddington, revealing his transaction with the British chancellor. Following this statement, Boddington confessed to Morier that he in fact had received from Cliris a present of 500 piastres specifically for the *Gitana*. This confession led Morier to suspect ‘some connivance on the part of Mr Boddington on the clandestine shipment’ as ‘the Greeks are not in the habit of presenting such sums for nothing’. He therefore ordered Boddington to pay the 500 piastres to the company and to deposit the remaining 443.20 piastres owned by Cliris to the factory's chancellery until the company had decided how to handle the situation. Boddington chose to deposit

the whole sum in the chancellery while Morier continued his investigation into the business, arguing that the transactions between Cliris and Boddington involving these two vessels were very secret and described differently by both sides.

When he concluded his research, Morier presented a report to the ambassador claiming that he had not 'the smallest doubt of Mr Boddington's being guilty of that extortion and of having been privy to *Gitana*'s clandestine loading'. Boddington was therefore invited by the ambassador to pay the sum of 4,800 piastres claimed by Cliris in order to settle the affair. As Boddington was not able to pay the sum, Gasparo Delenda, vice-consul of the company in the island of Santorini since 1802, offered to pay the sum to Cliris.[93] In January 1815 Boddington was removed from his office with a decree by the general court and John Prior took his place.[94]

The Armenian Esnaf and the Jewish Muslin Dealers

Corporate interests operating within the Ottoman market sought to obstruct any form of collaboration or association between British and locals that sidestepped old rules and procedures, accelerated transactions and allowed some sections of Ottoman society to enrich themselves at the expense of others.[95] The freemen John and Thomas Prior, John Cartwright, and his correspondents J.F. Iselin and Walmsley, Turner and Co, Richard Sarell and Niven Kerr and Co were all enterprises trading in muslin in Constantinople in the first decade of the nineteenth century.[96] In 1813, their business was threatened by the claim of a corporation, the 'Esnaf of Armenian dealers in and printers of muslins', to the exclusive privilege of buying and selling those articles. The claim targetted Jewish shopkeepers and dealers who, until then, had acted as intermediaries in the buying and selling of British muslin in Ottoman markets. The protest followed an incident implicating Niven Kerr and Co, which had sold a considerable parcel of muslin to a Jewish shopkeeper in Constantinople. The Armenians condemned the shopkeeper and seized the muslin. This incident eventually undermined the whole British muslin trade, generating great prejudice against British firms in the local market and leaving considerable quantities of British merchandise unsold. According to the factory, the significant increase in the consumption of British textiles had aroused the jealousy of the Armenians, who had thus attempted to gain a monopoly, exclude Jewish shopkeepers from the trade of muslins and force British merchants to sell directly to them.[97] If the Armenians succeeded in gaining a monopoly, British merchants would be constrained to sell at the lowest possible price and British imports would suffer.

In order to remedy the situation, the company officials in Constantinople adopted a twofold strategy. First, the ambassador presented a remonstrance to the local authorities while the factory sought to obtain copies of the official *hatti sherif* documents on which the Armenian corporation had grounded its claim. The material was transferred to London by Niven Kerr and Co to be examined. Next, the company promoted the creation of a corporation of Jewish dealers, similar to the Armenian one, that would act in competition against them. An attempt was also made to obtain permission for the British to sell muslin to whomsoever they wished or to have shops of their own for the purpose. This last idea was warmly received by the freemen as the 'privilege of having shops would perfectly answer their purpose'.[98]

The issue was finally resolved by an arrangement between the Armenian and Jewish dealers. An imperial *firman* granted the Jewish muslin dealers of Constantinople the status of a regular corporation and granted them protection and freedom. The agreement was praised as the best possible solution for the British muslin trade by the factory's interpreter, Bartholomew Pisani, who had participated in the negotiations.[99] However, consul general Isaac Morier was more cautious in his assessment. In a letter sent to London a month later, he maintained that the *firman* could 'by degrees be improved and extended to the benefit of our trade and manufactures … provided that both Corporations do not find in their mutual interest some time or other to unite in one body: then indeed it would be impossible to remove the evil that would be the consequence of such a combination'.[100]

CHAPTER 7

TARIFFS AND DUTIES

The impositions charged on the goods traded by company members influenced their profits and therefore determined their business choices, strategy and partnerships.[1] The freemen were obliged to pay duties to the Ottoman and British authorities. During the final phase of the company's history, the dues imposed on the Levant trade became the major point of contention between the company, its members, and the Ottoman and British authorities. For company members – who already paid company consulage dues in Ottoman and British ports – it was primarily a matter of profit, as heavy duties imposed by the Ottoman and British customs authorities, and other special taxes charged upon imports and exports, reduced their income even further and hampered their trade. The rates of these duties changed constantly, in line with different political and economic circumstances, and these changes generated insecurity and a lack of confidence among the merchant community, who understandably preferred to trade in predictable conditions.[2]

The Ottoman tariff and customs regulations concerning the British and other foreign merchant communities were dramatically influenced by the Porte's foreign, financial and commercial priorities. One of the main principles of Ottoman economic policy was to acquire more revenue through taxes.[3] The decentralisation of the mechanisms for the collection of duties and the farming out of customs offices to powerful members of local societies contributed to the instability of the system: in provincial towns the personal relations between the European merchant communities and local officials, as well as the balance of power between different communites, determined the conditions in which the Europeans operated to a far greater extent than the capitulation agreements.[4] Instability fuelled uncertainty among European merchants and was manipulated by the provincial Ottoman authorities to assert their power and obtain political and economic benefits.[5]

For the company, it was a matter of honour to protect the capitulation agreements and ensure that their central aspect, that members would enjoy an equal footing with the most privileged nation trading in the Ottoman Empire, was upheld. Although the capitulations retained their emblematic value, they became an issue of dispute during this period as the Ottoman government at various times sought to revise the duty regime. The implementation of the capitulation agreements and the preservation of the company's privileges against other European merchant communities required the daily commitment of the company's officers.[6] Their task was not easy, since the British merchants had to come to terms with local bureaucracies and operate in precapitalist market conditions that varied from one area to another, with many Ottoman officers violating agreements and contesting privileges on an everyday basis.[7] Wars in particular overturned market conditions and the Ottoman state finances, determining tariff policies and customs duties charged in various Ottoman ports. Another important parameter defining the quantity and value of duties imposed upon foreign trade by Ottoman authorities were bilateral relations with the Ottoman Empire. A further impediment to safety and regularity in transactions, as far as tariffs and duties were concerned, was an Ottoman foreign policy strategy that William Harborne had sensed since very early in the company's history. As he detected during his term as ambassador at Constantinople, economic rivalry between European nations had 'furnished opportunities which initiated the Porte in the useful art of playing off one country against another':[8] this strategy fuelled competition, jealousy and frictions among European merchant communities operating in the Levant.[9]

As well as negotiating the conditions of trade and taxation with the Ottoman central and local authorities, the company was interested in protecting the privileges of its members in Britain against the government's tariff policies; it was a matter of interest but also of dignity, as the company strove to save its status within a disapproving environment in the final phase of its history. From the return of peace in Europe and until the 1820s, British tariff and duty policies tended to overcharge the import of raw materials and manufactured goods into Britain, a policy that was intended to protect British manufacture and agrarian production but inhibited the interests of company members and was disputed by its administration. In the 1820s, William Huskisson, as president of the Board of Trade, promoted a number of reductions in duties, which were welcomed by the company. However, Huskisson's main objective was to establish conditions of free trade and the reduction of duties imposed on British imports was only one aspect of his policy; allowing foreign vessels to

trade freely with Britain and, most importantly, to alleviate the burden of the company's dues on British trade in the Levant were another two of his objectives that he materialised during his term as head of the board.

‘British Tariffs’ in the Ottoman Empire, 1805–20

Each European merchant community trading in the Ottoman Empire had come to an agreement with Ottoman officials on a pricelist of goods – of tariffs – traded by its members. Their official and practical purpose was to facilitate the payment of customs duties estimated for each commodity as a percentage of its tariff value.[10] Similar tariffs were prepared by the Levant Company for the purpose of calculating and charging consulage, duties and fines on members and non-members. According to the capitulations signed by the British, a duty of 3 per cent, ‘never to be augmented’, was to be exacted on all British merchandise entering the Ottoman Empire.

In 1794 a new ‘tariff of rates’ was established on this principle. Currency deflation, however, caused by political and economic instability and the interruption of commerce and navigation during war, pulled rates below the 3 per cent. Following negotiations with the Ottoman authorities, the British government agreed to compile a new pricelist, called the new British tariff and signed into force in April 1801.

The new tariff was not approved by the Constantinople and the Smyrna factories.[11] In 1802, a group of companies at Smyrna – Morier and Wilkinson, John Shoolbred, John and William Maltass, Lee and Sons, Peter Duveluz, George Perkins, A. and E. Hayes and Co and Franel and Jackson – presented a remonstrance against the introduction of the new British tariff, which they argued undermined their interests, infringed the capitulation agreements and placed the Germans and Russians on a more privileged standing in terms of the main import and export articles.[12] In reaction to what they saw as an injustice, they refused for some time to pay any duties to the Ottoman customs and their merchandise was confiscated. In their letter, addressed to Elgin's secretary and later on *chargé d' affaires*, Alexander Straton, they requested the ambassador's intervention.[13] They also presented a ‘Comparative Statement of Duties paid at the Custom House of Smyrna on Imports and Exports by Germans, Russians and English’ to prove the inferior treatment of the British merchants by the Ottomans.[14] Straton forwarded copies of the British, Russian and Austrian tariffs to London, and the comparative statement prepared by the British merchants.

The company's position was that the tariff was a matter of the utmost importance affecting the welfare and prosperity of the country's trade. In 1800 it had asked Elgin to confer with the Constantinople factory over all the alterations proposed by the Ottoman authorities to the 1794 tariff before the 'business was concluded'.[15] It was therefore necessary to preserve the agreements with the Ottoman authorities and to protect British privileges.[16] Following a close inspection of the material collected by the Smyrna factory, the company concluded that the Russian tariff gave Russian subjects an advantage over the British. Although in many cases the Russian tariff was higher than the British, the difference was on articles which were 'either of small value or else such wherein the Russians were little interested', whereas 'on the principal objects of British imports from Turkey and of which a considerable part of the Trade of both Nations consisted the duties were much lower on the Russian than on the British tariff'.

The company decided to present a claim to the Porte so that the export of goods from the Ottoman Empire by British and Russian merchants would be charged at the same rates. The articles that were overcharged in the British tariff were cotton wool, silk, goat wool, madder root, galls, opium, black fruit, red fruit, figs and copper. In addition, the Russian tariff taxed certain articles *ad valorem* at 2 per cent while in the new British tariff they were subject to 3 per cent.[17]

Following representations by the ambassador, Charles Arbuthnot, negotiations were held between Bartholomew Pisani, the British dragoman, the British merchants and Hassan Aga, the head customs officer in Constantinople and one of the imperial chamberlains. Under a new arrangement, the 'Tariff for British Commerce' of December 1805 (see *Table 7.1*), the rates of certain articles were reduced and fixed and a beneficial agreement for the exchange for British sterling was also included. The company's gain was twofold: while the former tariffs were confined to the Constantinople factory and were only extended to the other trading ports, the new one was to be universally applied throughout the Ottoman Empire.[18]

The English pound sterling was reckoned at 13 piastres, and the piastre at 120 aspers each. According to the tariff regulations, all merchandise arriving from Europe for the British merchants, which was not covered by the tariff, would be subject to the rates specified in the Russian and German tariffs and any articles not listed in any tariff whatsoever and on which no rates were fixed would be subject to 3 per cent charged on 80 per cent of their value.

The existence of a tariff did not guarantee stability and security for British transactions. This was almost impossible to achieve given the

conditions of continuous warfare in the Mediterranean, which interrupted commerce and hindered merchant navigation. In contrast, the variety of goods and products traded from one country to the other through different routes, the introduction of new manufactures, luxury items and exotic colonial goods sent from Britain to the Ottoman market soon rendered the tariff list obsolete and offered the local authorities the chance to demand augmented rates. Hence, in 1806 the company advised the consul general, Isaac Morier, to insert an additional clause to the new tariff that would include rates for all merchandise that British merchants might export from the Ottoman Empire that were not already listed.[19] This would protect British subjects from constant disputes and extortions with the Ottoman customs officials in Constantinople and other ports.

Table 7.1 The Tariff for British Commerce, 1805

Imports Item	Amount	Rate
Tin	Per kintal	210 aspers
Lead	Per kintal	45 aspers
Tin plate	Per case of 225g	75 aspers
Sugarloaf and powdered sugar	Per kintal	120 aspers
Pepper	Per oque	4 aspers
Shalloons	Piece of 45 pikes	110 aspers
Cochineal	Per oque	120 aspers
Fernambuk (Brazilwood or *Caesalpinia* echinata)	Per kintal	180 aspers
Campeche (Logwood, *Haematoxylum* campechianum) French wood	Per kintal	20 aspers
St Martha's wood (a type of *Caesalpinia echinata* from Nicaragua)	Per kintal	72 aspers
Mocha coffee	Per oque	9 aspers
American coffee	Per oque	4 aspers
Ginger (white and black)	Per kintal	80 aspers
Amomum (Yeni Bahar) (Allspice)	Per oque	3 aspers
Trieste, cinnamon of	Per oque	20 aspers
Dutch cinnamon	Per oque	36 aspers
India yarn	Per oque	50 aspers
Cotton yarn from England	Per oque	27 aspers
Muslins (Menghis, Agabanies, Mermer-I-hazine, Mermer-I-Humayoon, Kebir-Hasse, Bafta and Sacan curi)	Per piece	70 aspers
Rabbit skins (black and grey)	Per parcel of 50	150 aspers
Silver and metal watches	Per item	150 aspers
Gold watches without diamonds	Per item	360 aspers
Clocks (common sort)	Per item	120 aspers
Table clocks (sofa and repeaters, not set in diamonds)		3 per cent on the invoice cost
Cloth called shalli, mahoot and others	Per piece of 25 pikes	420 aspers
Printed cloth (Basma)		3 per cent after deduction of 20 per cent on the invoice cost
Cutlery, glassware, looking glasses and queen's ware		3 per cent on the invoice cost
Shawls (Arca)	Per piece valued per 110	396 aspers
Shawls (Zizecly and Bizai)	Per piece valued per 200	720 aspers
Shawls (Beldar)	Per piece valued per 750	2.700 aspers
Shawls (Bokcia)	Per piece valued per 60	216 aspers

Shawls (Gianavery)	Per piece valued per 130	468 aspers
India muslins (Destar) fit for turbans	Per piece valued per 50	180 aspers
Cloth (sayaa), English fabric fit for cloaks		3 per cent on the invoice cost
American indigo	Per oque	18 aspers
Indian indigo	Per oque	18 aspers
Lahore indigo	Per oque	54 aspers
Verdigris (Zendighiar)	Per oque	12 aspers
Mouhabet hani of India	Per piece	120 aspers
Mouhabet hani (middle size)	Per piece	90 aspers
Mouhabet hani (short)	Per piece	60 aspers
Mouhabet hani (English fabric)	Per piece of 18 pikes	45 aspers
Salts of ammonia	Per oque	9 aspers
Gunpowder	Per kintal	150 aspers
Military stores, cordage, anchors, cannons, tar, pitch, etc.		3 per cent at the market price after deducting 30 per cent from the net amount
English pistols, guns, muskets, etc.		3 per cent on the invoice cost
Logwood (Indian and American)	Per kintal	36 aspers
Rum	Per oque	2 aspers
English cheese	Per oque	3 aspers
Shot	Per kintal	50 aspers
Musk	Per medcal	12 aspers
Ambergris	Per medcal	12 aspers
Nails of Christendom	Per kintal	120 aspers
Precious stones, pearls and watches set in diamonds		2 per cent
Exports		
Shagreen skins	Per item	3 aspers
Beeswax	Per kintal	240 aspers
Angora (Ankara) karn	Per oque	21 aspers
Goat wool (Tiftie)	Per oque	21 aspers
Vitriol (Ghiouze tashi)	Per oque	$4\frac{1}{2}$ aspers
Alum	Per kintal	27 aspers
Boxwood	Per kintal	8 aspers
Broussa (Bursa) silk	Per oque	45 aspers
Bourre de soie (silk thread)	Per kintal	30 aspers
Cottons	Per kintal	100 aspers
Raw silk from Cyprus and neighbouring places	Per oque	36 aspers
Valonia	Per kintal	8 aspers
Yellowberries	Per oque	2 aspers
Aniseed	Per kintal	40 aspers
Gum Arabic	Per oque	6 aspers
Cotton yarn (Asfoor)	Per oque	9 aspers
Cotton yarn (red and coloured)	Per oque	9 aspers
Figs	Per kintal	15 aspers
Sponges, wet	Per oque	6 aspers
Walnut planks	Per kintal	12 aspers
Cypress planks	Per kintal	20 aspers
Raisins	Per kintal	27 aspers
Currants, black fruit	Per kintal	15 aspers
Madder root (*Ghiok boya*)	Per kintal	45 aspers
Salep	Per oque	5 aspers
Gum adragant (Tragacanth)	Per oque	5 aspers
Raw silk from the islands and Rumelia	Per oque	45 aspers
Hare skins from Constantinople	Per 100	60 aspers
Senna	Per oque	5 aspers
Mastic	Per oque	11 aspers
Opium	Per oque	36 aspers
Galls	Per kintal	150 aspers
Scammony (Mahmoodie)	Per oque	36 aspers
Copper	Per kintal	180 aspers
Colocynth	Per oque	6 aspers

According to the company, the list of exports included in the 1805 tariff was very limited as even carpets, articles of great importance,

were not mentioned. Still, in the following years there were frequent deviations from the agreed pricelist, with the Ottoman authorities deciding unilaterally to raise the rates of duties imposed on specific articles. These incidents gave rise to tension and disputes and usually led to long negotiations before a new agreement was reached. In 1810 the chief customs officer at Constantinople decided to increase the duty on mocha coffee from nine to 24 aspers per oke, putting the European merchants on the same footing as Ottoman subjects.[20]

This decision provoked a strong reaction and the British dragoman, Pisani, was asked to intervene with the Ottoman authorities. In a report presented to the Constantinople factory, Pisani maintained that the whole issue had arisen after a considerable quantity of this commodity had recently arrived consigned to British merchants.[21] The customs officer's decision reflected the new protectionist policy of the Ottoman government that aimed at supporting its subjects against the excessive privileges enjoyed by foreign merchants. Pisani pointed out that the British merchants should accept the chief custom officer's demand for a higher duty on mocha coffee. The assembly, however, was unanimously of the opinion that 'an acquiescence to that unreasonable demand' would only encourage customs to present more demands of a similar nature. They thus decided to support the observance of the tariff, 'the more especially as the mocha coffee formed but a very limited branch of the trade from England to Turkey'.[22] The problems faced by the Smyrna factory were even more serious. There, the dispute over the duties paid on certain articles by the British merchants developed into a vendetta between the local factors, the Smyrna customs officer and the local governor. In March 1811, the Smyrna consul, Francis Werry, informed the company that 'the vexations caused by the Customers, in their endeavouring to levy duties, without authority, gives us constant employ and chiefly arises from the continual demands made for money from the chief in the capital, and from the paucity of their means here to satisfy him'.[23] Werry informed the consul general, Isaac Morier, that the Smyrna customs chief had attempted to impose an extra duty of 15 paras per quintal on figs and raisins, beyond the customary duty of 3 per cent. The factory requested the intervention of the ambassador with the *kaimakam* (deputy governor) of Smyrna, who ordered the customs chief to return to the British merchants whatever he had levied beyond the customary duty of 3 per cent.[24] When the same happened a year later, the factory once again saw it as necessary to obtain a fresh order from the *kaimakam* to force the customs chief to desist from his demands.[25] The Smyrna merchants wished to be free to purchase and ship currants and figs 'as early and as they may find it suitable to their interests'. This had been the usual practice of the

British merchants for many years regarding these goods. There had been no objections on the part of the Ottoman authorities, notwithstanding the capitulations which restricted the export of figs and currants from Smyrna to Britain. In fact, according to the relevant article, 'two ships lading of figs, raisins, or currants may be yearly exported for the use of His Majesty's kitchen, if there be not a dearth and scarcity of such fruit in the country'.

Although the company and the ambassador, Robert Liston, were sceptical about the pretences of the Smyrna merchants,[26] Morier supported their claims on the grounds that the particular article in the capitulations should be considered obsolete by reason of it being neglected for so many years. He also mentioned that the article had been inserted in the capitulations in 1675, when the Levant Company had ships of its own of about 500 or 600 tons burden each, whereas the vessels then used in the trade were only of 180–200 tons.[27]

The British merchants at Smyrna continued to have problems with the demands of the local authorities. In May 1811 Werry informed the company that the Smyrna factory had decided, at one of its last assemblies, to pay a special duty of 46 paras per bale of cotton to the governor of Smyrna. The governor had obtained the consent of the French merchants to pay a similar sum as a compliment 'to indemnify him for the great expense he had been put to, in the last campaign'. The British merchants had decided it was in their interest to keep him satisfied and pay him the same complimentary tax as their French competitors.[28] In September 1812 the governor, incidentally brother of the customs officer, insulted Werry in the public bazaar, stopped the people employed by the British merchants from picking their figs and prohibited any further purchase of figs by the British.[29] Only some months after this incident, he claimed once again an extra duty on dried fruits and seized a cargo of British-owned cotton yarn demanding the payment of an additional duty. A *firman* was obtained by Liston from the Porte directing the Smyrna customs chief to release the cotton yarn kept in the custom house, but according to Morier, both he and his brother governor disregarded it.

This incident was accompanied by the confiscation of a parcel of valuable Italian muslin imported to Smyrna from Salonica, for re-export to England, by Edward Hayes and Co.[30] According to Werry, as the British ships could not reach any Italian port because of the war, the parcel of muslins had been transferred to Salonica from Germany under a special licence. The situation remained very problematic as the Ottoman official continued with his arbitrary demands and large parcels of cotton yarn and muslin were detained in the customs house.

In February 1813 the Constantinople assembly met to discuss the

increase in the duty on cotton twist by the Smyrna customs,[31] agreeing that the British tariff should be reconsidered. Under the circumstances, the British merchants trading in the Ottoman Empire had ended up paying a 5 per cent instead of 3 per cent *ad valorem* on traded goods. They also paid nearly double the rate of duty that was levied on French articles, and, as far as cotton yarn was concerned, 'as this particular and important article is manufactured by no other nation every imposition of course bears solely upon our trade'. The British merchants decided to react by refusing to pay the additional duty on cotton twist. In 1813 the product sent by Richard Sarell and James Barband to Smyrna was sequestrated as the two British merchants did not advance the 'unauthorised duty'.[32] The Ottoman authorities replied with a new *firman* that arranged the duty on cotton twist imported from Britain to be raised in kind.[33] The rate would be 3 okes in 100. This decision alarmed the members of the Smyrna factory, who were very much against this system of taxation. Meeting in an assembly in May 1813, they decided to send representatives to the customs officer to offer, as an alternative, a payment of a duty of 3 per cent on the value of cotton twist calculated at 10 piastres per oke.[34] Some months later, in September, Werry informed the company that the 'dispute' over the cotton twist had been settled and the British merchants would advance the cotton twist duty in cash, not in kind.[35] When in June 1814 the company was informed about these developments, it maintained a similar line to that of the Smyrna factory. Cotton yarn should remain subject to a 3 per cent levy in cash, and no more.[36] The payment of any duty in kind should be refused, as any compromise on the part of the British merchants would expose them to similar breaches of the tariff.

In the meantime, the increased demand for British manufactures in the Ottoman Empire made the company's administration optimistic about the future, helping it to overcome the negative impact made on it by repeated reports of arbitrary taxation and violations of capitulations. In a letter to Morier, the company expressed its confidence: 'The desire of British manufactured goods which has been manifested by the subjects of the Porte of every description opened a door to an extension of British Trade of the highest importance to this Nation. The quantities of those articles consumed in Turkey even under the difficulties opened to them have far exceeded our calculation and we have every reason to believe if those obstructions are removed the demand will be prodigious.' In the following years, the discussions continued between the British merchants and the Ottoman officials regarding the duties on a new vast variety of articles and British-manufactured goods, which by that time were flowing in great quantities from Britain to the markets of the rest of the world. A

list of new articles not included in the 1805 tariff was provided by Osman, the customs officer in Constantinople: calicos, velours, muslins, silks, different types of cloths and shawls, velvets, flannels, cotton and silk stockings, blankets, umbrellas, coats, cashmere and cotton twist, cotton threads, writing paper and others.[37] According to the new rates, these articles would be subject to a duty of 3 per cent charged on 80 per cent of their value. The Constantinople factory took the lead in the discussions, while the Smyrna factory continued to be confronted with the arbitrary and unwarranted claims of the local authorities.

In April 1815 the company requested that Morier convince the ambassador that the company was less concerned about continuing the existing duty tariffs payable in the Ottoman Empire than with ensuring that its members would be placed on an equal footing with the most privileged nation in the Ottoman Empire, a central right enshrined in the capitulations.[38] A few years later, the company had to prove that this was its position when the *reis efendi* put pressure on the ambassador, Robert Liston, to agree to an overall revision of the 1805 tariff.

In a long memorial he sent to the foreign secretary, Castlereagh, in 1818, Liston presented arguments of the Ottoman foreign minister, whose proposal was grounded on the fact that the tariff rates had been fixed on the principle introduced by the capitulations that all goods were to pay a duty of 3 per cent on their value.[39] As the prices of the great majority of the articles had increased so much, the import duties levied in 1818 did not even amount to 1.5–2 per cent, or even to 1 per cent, of actual values. The *reis efendi* informed the British ambassador that the French minister, the Marquis de Rivière, had consented to a renewal of the French tariff with a considerable augmentation of the duties on almost all the articles it contained and that this example had been followed by the Austrians, who had also signed up to new rates. The Prussian minister had also agreed to a similar move. The Ottoman government, according to Liston, did not expect a negative reaction from Britain, whom they considered as their best and dearest friends.

Liston informed the *reis effendi* that if the whole case had been properly stated to the British government, it would have not refused to collaborate with and accept alterations in the tariff rates. The Ottoman argument was well grounded according to Liston, who informed the company that great pressure had been put on the Porte by the customs officers, who complained that their income had fallen because of the low duties paid on British trade. The British merchants in Constantinople and Smyrna held a different view to the ambassador. They were against any alterations in the tariffs if they

could be avoided.[40] Their argument was based on their precise knowledge of the facts: they maintained that when the British tariff was set in 1805, they had consented to an increase in the duties on the condition that a similar alteration would be immediately enforced on the French. This had not happened, allowing the French merchants a considerable advantage over the British for a number of years; it was now time, the British merchants argued, for them to have their turn. The British merchants of Smyrna were of the same opinion, and in July 1819 a committee appointed to consider the tariff revision, comprising N.W. Werry, W. Atkinson, J. Heywood, Jas. Purdie and J.K. Fischer, rejected the changes in a report presented to the factory assembly.[41]

In the meantime, a problem had arisen with some British vessels arriving in Constantinople with cargoes of iron.[42] For some time the British had been charged by the Ottoman authorities for iron imports according to the Russian tariff, which was extremely low; on that occasion the customs collector demanded a higher duty (3 per cent in kind), which the consignees refused to pay. The collector then prohibited the entry of the iron to the custom house and sequestrated whatever had been unloaded. After Liston protested, the iron was eventually allowed enter the custom house on the usual terms.[43]

The incident with the iron cargoes confirmed the necessity of reviewing the old tariff and the formation of a new one that would enlist all the new, British-traded products and goods and would introduce rates that would satisfy both sides. A commission was therefore appointed by the British to settle the new tariff in negotiations with the Ottoman authorities.[44] In May 1819 the commission suspended its proceedings after a clash with the Ottoman commissioners, who, according to the British, had presented some unreasonable demands. The situation annoyed the Porte; its representatives insisted that, in the event of a further delay, they would resort to the measure of levying a duty of 3 per cent in kind. The Constantinople assembly was unanimously of the opinion that such a measure would be equally inconvenient to all parties and decided that it would be advisable to resume negotiations. In less than a year, the new British tariff was ready and was published in the Ottoman Empire. Copies of it were sent to the British embassy in Constantinople and to the company's secretary in London, George Liddell, in August 1820.[45] The new consul general, John Cartwright, noticed with satisfaction that, although at the beginning of the negotiation the prices of almost all the articles went beyond the French and Austrian rates, the rates introduced in the new British tariff were now equal to the French and Austrian rates, which had

been revised in the meantime.

Dealing with the British Tariff Policy

British tariff policies were instrumental in the evolution of British trade and determined the company's operation and strategy in the last three decades of its history. Being considered a national instrument of diplomatic and trade policy in an area of great geopolitical and economic importance, the company had to submit to decisions taken by its political superiors. On certain occasions, however, the government's tariff policies ran contrary to its rights and privileges, leading its administration to express its reservations and request some kind of compromise. After the Napoleonic wars, the company and its members had to contend with two tendencies: the protectionist policies of Lord Liverpool's administration ensuring a privileged treatment of national agriculture and manufacture; and a general shift of the country's political and economic establishment towards more liberal positions as to what concerned British trade and navigation.

The importation of madder root into Britain was one such case troubling the company in the early nineteenth century. In 1806, John Green, the company's treasurer, protested against a new government policy that taxed independent importers of madder root in London at the same rates as company freemen.[46] In 1812, the enactment of a law that would affect the company's control over the importation of this same commodity once again became an issue of dispute between the company and the government. This time, the deputy governor, Jacob Bosanquet, referred the subject to Viscount Chetwynd, secretary to the Board of Trade.[47] During the same year, two more reports were addressed to the Board of Trade on the importation of madder root from countries other than the Ottoman Empire, particularly from France. The company requested the authorities not licence the importation of this article from the territory ‘of the enemy’, not out of consideration ‘of individual but of national interest’.[48] In the meantime great quantities of madder root were imported indirectly from Holland, Ostend and Hamburg by independent British merchants.[49]

The importation of tobacco, mocha coffee and carpets from the Levant triggered similar disputes. In 1807, a new tobacco bill was under preparation by the British government. On the occasion the company demanded to view the bill before its publication. It also requested that a clause be added to the text allowing the importation of Levantine tobacco in the packages it had usually been imported in up to that point. In an attempt to ensure its members received a share

in the tobacco trade operated for the most part through America, the company requested the addition of another clause to the bill that would permit its freemen to export Levantine tobacco from Britain ‘as if it were brought from America’.[50]

In 1812, George Liddell, the company's secretary, presented to Thomas Lack, assistant secretary of the Board of Trade, a petition against the Duties on Spirits and Coffee Act 1808 (48 Geo. 3 c. 120), which charged excessive duties on members importing mocha coffee from the Ottoman Empire.[51] At the same time, the act endorsed better treatment of East India merchants who imported the same article. Liddell explained to Lack that the company's members requested the restitution of their chartered privilege, which they felt was infringed, ‘no doubt from inadvertency’, by the government's policy on mocha coffee. Company members were in fact required to pay an excessive duty of 21 d. per ton of mocha or Turkey coffee imported directly from the Mediterranean, while the 1808 act authorised the East India Company to import the same article on payment of 8 d. per ton.

This new regulation had hindered direct importation from the Levant; since the introduction of the act there had been only one importation, consisting of 64 bales by W. Geo. Cooper with the *Richard and Ann*. As Cooper had not been aware of the increase in duty, he was constrained ‘reluctantly’ to return to Malta. This situation had caused the scarcity of the article on the London market, as the cargo from the Red Sea under the licence of the East India Company had not yet arrived. The company required the government to find a solution that would support this trade and re-establish it as one of the important articles imported from the Ottoman Empire.

On another occasion, the decision of the government to place an additional duty on Ottoman carpets imported to Britain generated severe reactions from the company, as carpets were one of the most important return cargoes from the Levant. The duty had been presented by the government as a measure for the protection of British manufacturers. In June 1816 Liddell conveyed to S.R. Lushington, joint secretary of the Treasury, the company's opinion on the matter.[52] The company maintained that the policy of securing native art and industry against foreign rivalry was reasonable and ‘could occasionally be good’. In that case, it would weigh negatively on Levantine trade, prohibiting in effect the importation of the only Ottoman manufacture allowed to enter Britain. Such a measure would certainly annoy the Ottoman government, which was already dissatisfied with the inequality of the commercial relations between the two countries.

The Ottomans, the company insisted, would be inclined to adopt a system of reciprocity with regard to trade, and this would harm the

importation of British muslin and printed cotton, ‘articles that had been introduced into Turkey in late years and were likely to be consumed there to an incredible amount’. The company's argument was based on the fact that the *ensaf* of Armenian muslin dealers and cotton printers had already called for the imposition of a protective duty on British imports. It was therefore felt that any alteration of the ‘system of Trade’ between the two countries would lead the Porte to introduce additional duties and, perhaps, a prohibition on imports from Britain. The price of foreign commodities would then increase and the consumption would diminish ‘for the ultimate prejudice of all our manufactures and of our shipping interest’, the company argued. For this reason, the British traders of Ottoman carpets would be induced to abandon this line of business. Furthermore, as they would be deprived of an article of return, they would be constrained to reduce their exports proportionally.

In the following years, the company had on many more occasions to state its case against resolutions that, by increasing import duties, threatened its privileges and depreciated its status. In 1816 Liddell wrote to John Grimes, receiver general of the company's duties in Scotland, saying that the return of peace to Europe had induced the government to enact new legislation on foreign trade.[53] This in an indirect way referred to the upheaval brought to the country's taxation system and public revenue by the protectionist policies of the Earl of Liverpool's administration. The company's line of defence against policies that could lead it to decline and extinction comprised a strategy of publicly and persistently supporting its charter and privileges at every possible occasion.

In 1819, and as a new act on customs duties was in a state of advanced preparation, the company requested Thomas Lack of the Board of Trade convey to the drafting committee its wish for the insertion of a paragraph into the final text stating that: ‘provided also that all goods, wares and merchandise of the growth, production or manufacture of Turkey or Egypt or any of the dominions of the Grand Signor imported into the United Kingdom under the authority of this Act shall be subject and liable to the duties payable to the Levant company.’[54]

To undermine the negative effects of the government's taxation on imports on its members' income, the company reduced the duties it collected from its members, non-freemen and foreigners in London and in the Levant factories. In 1816 the duties charged on goat hair and wool, gum, myrrh and silk were reduced.[55] In the same year, the consulage rates charged in the Levant were reduced and the more lenient regulations of the Austrian tariff were adopted provisionally.[56]

In the new bylaws published in 1817, even lower rates of consulage were introduced to sustain British trade and shipping, helping the corn trade against the corn laws.[57] In 1819 the government's proposal for an increase in the duty on all wool imports (6 d. per 1 lb) exceeded the company's patience and led Bosanquet to personally raise the issue with the prime minister. The government's proposal would have ended the import of coarse sheep wool from the Levant. On 14 June 1819, Bosanquet explained in a letter to Nicholas Vansittart, the chancellor of the exchequer, that coarse wool was a very important article of return for British manufactures exporting to the Ottoman Empire and, being bulky, it was also very important for British shipping.[58] Bosanquet pointed out that from experiments made in the manufacture of cloth, it had been proved that if coarse wool was partially used in the manufacture of cloth, the export of this article to the Ottoman Empire could be revived. As had been ascertained, the French used Ottoman coarse wool in the fabric of a cloth which was preferred in the Ottoman Empire and had deprived the British ‘of that once most lucrative branch of trade’.

In 1820 the deputy governor finally addressed the prime minister, Lord Liverpool, in an ultimate effort to reverse the government's decision to introduce the imposition.[59] Bosanquet presented a memorial which defended the position of the company. He claimed that the trade of its freemen was, in comparison with other foreign trades, most advantageous to the nation and, as such, worthy of the special protection of the government and of parliament. His main objective was to demonstrate that such protection would be extended by admitting the importation of raw materials necessary to British manufacturers at the lowest rate of duty consistent with the exigencies of the state. He insisted in his memorial that the tax on coarse sheep wool was a matter of immediate urgency and national importance. To prove his point, he presented some data proving that in 1818 and 1819 alone, at least 400 tons of coarse sheep wool had been imported, raising over £3,000 for the State at the old duty of 7/11 per hundredweight.

As Bosanquet insisted, there were hopes that this line of imports would eventually contribute to the gradual restoration of the ‘long lost Trade in woollen cloth’. Being the only articles of great bulk imported from the Ottoman Empire, the importation of wool, madder root, fruit and valonia also assisted British shipping. Finally, Bosanquet expressed the company's concern that such an example of protectionism by the British government would cause the Porte to retaliate.

Strangely enough, the company found an unexpected supporter of

its cause in William Huskisson, president of Board of Trade since 1823 and famous advocate of free trade. Huskisson's plan to establish conditions of free trade in Britain was materialised gradually through the introduction of a number of acts reducing the duties on imports of iron, cotton goods, wool and silk. The duty on coarse sheep wool was eventually 1 d. per 1 lb, and in 1824 the company requested the Board of Trade add camel and goat wool, then charged with a duty of 3 d. per 1 lb, on the same footing.[60]

Following a similar strategy in order to relieve its members from the burden of excessive duties, and maybe demonstrate its good intentions to the British government, the company in 1823 made further reductions in the consulage it charged on important articles. In August 1823, George Liddell notified the consul general in Constantinople, John Cartwright, that the general court had ordered the modification of bylaws four and five, considerably reducing the consulage charged on British cotton, cotton twist, woollen manufactures, coffee, rum and rice (fourth bylaw) and cotton wool (fifth bylaw); the consulage on these goods would be reduced from half to one quartre of the Ottoman rates of duties.[61]

PART 3

ENTREPRENEURIAL FORM AND STRATEGY

CHAPTER 8

ENTREPRENEURIAL FORM

The 1753 reform allowed merchants who could be retailers and were not necessarily London citizens to join the company. The number of new members grew significantly in the following decades, and reached unprecedented numbers in the nineteenth century.[1] The composition of the company's merchant body was no longer homogeneous but differed considerably in terms of means, specialisation, social origins and provenance.[2] The rise in importance of other ports in northern and southern Britain connected with manufacture production and their opening to Levantine trade induced some merchants and merchant-manufacturers from Liverpool, Glasgow, Newcastle, Bristol, Exeter and Hull to start doing business with the Ottoman Empire; some of them transferred to Constantinople and Smyrna, while others collaborated with local correspondents.[3] At the company's London headquarters, the top positions in the administration remained entrusted to representatives of a group of wealthy and socially distinguished London merchant families. In the Levant factories, in contrast, a second and third generation of British merchants and factors established in the Levant pursued the family business, including sons and nephews and, in exceptional cases, daughters too, Luisa Vernon being one such case.[4] British factors and British captains of merchant vessels joined the company by taking the freeman's oath in the Levant factories. Sometimes, in a swift procedure, the oath was taken in a British port where Levant goods were in quarantine and awaiting permission for entry.

Organisation and Venture Opportunities

In theory, each firm operating under the Levant Company's jurisdiction chose an individual form of action, a network of business contacts and a strategy. The only condition was that these had to comply with the company's regulations and bylaws. Since the

company's early days, a merchant who secured entry into the company could hire employees to forward his enterprise in Britain and the Levant while he followed trade operations at a distance, supervising only some aspects of the London operations.[5] Factors were employed to organise the purchasing, packing and shipment of goods in Britain. Others were established abroad where they sold the goods, sent home return cargoes and provided their principals with information and advice. The factors collaborated with brokers, usually locals, who acted as intermediaries between a firm and its local suppliers and customers. They were entrusted with the management of almost all stages of an enterprise and even took it on themselves to make some important decisions, as the long distances and the slowness in communications meant instructions could be delayed.[6] They also received commissions and benefits on handling their principals' goods, while many of them engaged in some private trading or money lending. Factoring partnerships between factors and principals were common and ensured the continuity of business through sickness and death or following departure of a senior factor for London.[7] From the eighteenth century, the distinction between the activity of a merchant, a factor and a broker became blurred and many firms combined the three jobs. Instead of following operations at a distance, many dynamic merchant entrepreneurs opted to take an active role in the business, participating in all transactions in London and the Levant, making contacts and looking for the best opportunities available in different markets. They thus acted as factors and brokers for the sake of their own enterprise, or that of others, such as ‘friends’, clients and collaborators. At the same time, factors and brokers launched private enterprises utilising their connections and know-how.[8]

As it operated within a foreign, unpredictable and often hostile business environment, the Levant trade was a high-risk undertaking. To pursue a career in the Levant, capital and connections were indispensable conditions for a start up. While in other sectors of overseas trade a year's credit was quite normal, in the eighteenth- and early nineteenth-century Levant trade a British merchant sometimes had to wait for much longer before getting his return.[9] Cash flow and long credit were necessary, as transactions involving buying and selling were sometimes slow and turnovers took time to materialise. In 1818 the vice-consul at Smyrna, Nathaniel W. Werry, described the risks and disadvantages of a circuitous exchange operation by which British commodities were sold in a ‘simulated’ manner by means of advances raised on goods. By this procedure, part of the value of the merchandise was lost in the transaction as the purchase was made on the basis of long and extended credit terms and the ‘proprietors

suffered before collecting the seditious payments'. According to Werry, by this method, which was routine in the Levantine markets of the period, a great part of British capital was placed at imminent risk from outstanding debts and bankruptcies.[10]

Risk increased dramatically during wartime.[11] The final phase in the company's history was a period of almost continuous warfare in which the British were directly implicated. From the late eighteenth century, many representatives of the old guard of Levant merchants either retired or were bankrupted, being unable to follow the new tempo and conditions of trade.[12] At the same time, war helped increase the company's membership roll as competition, longer terms of credit and the prospect of quick profit led many small, flexible and bold firms to the Levant. Many of these new members did not travel in the Levant but organised their representation through foreign and Ottoman factors operating under commission. The extended operation of new methods of intermediation explains why, although the company's members augmented so significantly during this period, the number of factory members established in the Levant and participating in the company's assemblies remained either stable or low, never reaching its seventeenth- and eighteenth-century numbers.

The object of the British trade business did not change during this period. General commerce – import and export of British manufactured and colonial goods and Levantine products – remained the foremost pursuit of the British merchants trading in the Ottoman Empire. Despite this, many merchants invested money in ship ownership and banking and financial services, bringing them considerable profits. As the local credit markets were run mostly by non-Muslim Ottoman subjects, such as Jews, Greeks and Armenians, some well-connected British enterprises and factors traded in bills and speculated on exchange rates while providing banking services to local and other British and foreign commercial houses. Even the factories and the consuls themselves – the transaction between consul Francis Werry and Gabbai Leon was brought to the company's notice in 1805 – had dealings with local credit networks.

An idea of the vast range of transactions carried out by British freemen and factors is provided by the pricelists of services offered by some British consulates. The pricelists of the British consulates in Constantinople and Salonica, for example, reveal from a different angle the multiplicity and complexity of the everyday business pursuits of British merchants; they demonstrate the significance of monetary transactions in the organisation of British trade and reveal the forms taken by capital investment.[13] British subjects could deposit sums of money in the chancellery and pay 2 per cent on the value of

the deposit. In Salonica the British consul represented the company and the British state in disputes over bills of exchange and the issuing of credit. The list of creditors and debtors of the Abbott family appearing in their company's liquidation act is indicative of the composition of the credit networks in which some British freemen participated. Bartholomew Edward Abbott had credit transactions with members of the Salonica Jewish and Greek merchant community: Mose Namias; Sahula Salem, wife of a well-known merchant; Bohor Covo; Anastasis Giovanni; the Arditti family; Abraam Namias; Salomon Frances; and Yuran Yenegelis. His son George Frederic Abbott had borrowed money from Lady Bona Fernandez Diaz and Lady Fior Fernandez, mother and wife respectively of the merchant Joseph Fernandez Diaz. The French merchant François Masse, the Austrian consul Joseph vs. Choch and the Vianello family also exchanged credit with the Abbotts.[14]

Ship owning was another quite common investment that offered a double benefit. On the one hand, it provided security for money that otherwise could easily be devalued during frequent monetary crises. On the other, ships, as a means of transport when they were registered as foreign, and not British, property, saved the merchants from paying company duties and during war prevented seizure by enemy ships. In Constantinople, the consulate issued tickets and paid freights for the company's members, drew up shipping contracts and health certificates, and offered to mediate in the sale of ships, taking a commission of 2 per cent on the value of the transaction. The consulate could also provide a town crier for those who wished to advertise a sale with an auction. On various occasions, Morier referred in his correspondence to the company to the purchase of foreign ships by British freemen to serve their trade. The ships sailed under the Austrian, Russian or Ottoman flags. In addition, partial ownership of a vessel spread risk and, despite the emergence of a distinct insurance industry, the old practice of shareholding persisted, sustained by the network of merchant connections.[15] The company and the British government were not positively inclined towards this practice, considering it prejudicial to British merchant shipping; for the company, it cost it a significant part of its revenue as well. In 1810, Francis Werry, the Smyrna consul, was discouraged from becoming an agent of the Anglo–Maltese Insurance Company as the position was considered ‘inconsistent with your engagements with us and liable to injurious consequences’.[16]

It is not clear whether any capital was channelled to landholding or innovative enterprises. Two original projects presented to the company by British merchants in 1810 and 1821 were met, in the first

case, with suspicion and, in the second, with scepticism. In 1810, John Galt, a Scottish merchant, presented to Stratford Canning and Isaac Morier his project for the opening of a commercial establishment on the island of Miconos (Mykonos).[17] As he stated, his main purpose was to produce wines that would be distributed to various countries 'beyond the Mediterranean'. He also proposed that the company establish a British consulate on the island so that Miconos could become an intermediate deposit port for British merchandise carried from London and Malta to Salonica, Constantinople and Smyrna. According to Morier, who was against this project from the beginning, Galt's main strategy was to export British cotton yarn to Germany in a clandestine manner utilising Miconos as his base and employing foreigners.[18] As Morier claimed, such a venture would be perilous as no regular custom house or British factory existed at Miconos, meaning that British trade there would be easy prey for the enemy. In addition, no intermediate depot was necessary between Malta, Constantinople, Salonica and Smyrna as the last three ports were regularly supplied with British merchandise of every kind. In 1821 Henry Crosley presented to the company's general court his proposal for the establishment of 'Steam Towage' for vessels passing the Strait of Gibraltar.[19] Although the company recognised the importance of the project for 'obviating' the uncertainty of British shipping through the strait, it could not agree on the practicability of the plan, thus avoiding participating in its funding, and referred Crosley to the British authorities.

Geographical Expansion

In the final phase of the company's history, business developed for the most part within the Ottoman Empire and expanded to reach the Mediterranean countries, Italy, occasionally France, later on Malta and Gibraltar, the southern Russian ports and central Europe. As the minutes of the factories' assemblies demonstrate, the expansion to foreign lands – further eastwards, for example – was sometimes considered with scepticism. In the late eighteenth century, the members of the Constantinople factory expressed their hesitation when invited by Alexander Straton, Lord Elgin's secretary in the embassy and subsequently *chargé d'affaires*, to venture into the Black Sea and establish trading relations with the southern Russian ports. However, some British merchants and Anglo–Maltese companies were later involved in the corn trade that linked Russia to Malta and London.[20] This indecisiveness had been singled out by the East India merchants in former times, when they accused the Levant merchants

of a lack of entrepreneurial instinct. The company's policy on the issue was generally restrained and cautious; it avoided establishing consulates that would assist business expansion in specific directions. In 1810, as we have seen, Morier expressed this position in his negative response on the prospect of opening a British outpost on Miconos. According to Morier,

> factories have been established by the Company only in cities such as Constantinople, Smirna, Salonicca, Aleppo, Alexandria, Cyprus and Patras, where there exists a powerful government under whose protection our factors or Merchants may carry on their commerce with security, those places being also great Markets for the sale and consumption of British Manufactures and Colonial produce, and producing various articles of Merchandize wherewith our ships are loaded in return of ours. Whereas Miconi [Mykonos], being a small defenceless island inhabited only by Greeks, destitute of the great advantages above stated is by no means calculated for the establishment of a Factory.

In 1810 a project of expanding the company's activity to Crete was promoted by the British ambassador, Robert Adair. George Reggio, ‘a person who has rendered great services in Egypt since the first landing of our Army’, would be sent to Canea (Chania) as a vice-consul to oversee and assist British trade in the island. According to Morier, many cargoes of olive oil were shipped annually from Canea to Britain. The island also produced silk, raisins and white wines.[21] The project failed after Reggio collected and dispatched to the company some depressing data on the prospects of trading British manufactures and colonial goods on the island.[22]

After the end of the Napoleonic wars, there was a revived interest in restoring the company's activity in Aleppo, which had declined since the middle of the eighteenth century due to French competition and troubles in Persia. In 1815 the company even considered re-establishing in Scanderoon (Iskenderun) a factor marine, a position that had been abolished in 1783 on account of the low volume of trade at the Aleppo.[23] There was also considerable enthusiasm for the possibilities of expansion arising at Acre, where the arrivals of British vessels had increased significantly and the manifests dispatched to London described cargoes of great value.[24] Pasquale Malagamba was sent to the port as proconsul by John Spencer Smith in 1799, and then, in 1820, Peter Abbott was appointed consul.[25] According to the instructions he received from the company, his jurisdiction extended from Acre to Beirut.[26]

Expanding business activity to the west of the Mediterranean was not apparently part of the company's plans, and in 1816 it informed John Falconar, British consul at Leghorn (Livorno), that 'the company have no concerns properly their own out of Turkey which require the interference of an accredited agent'; if such was the case at Leghorn, they would avail of his offer to represent them in the port.[27]

In the eighteenth century, British companies collaborated with French and 'Brabant merchants' in the import of French woollen cloths and caps on French ships to the Ottoman Empire.[28] It would appear that even during wartime, some British firms received commodities from Marseille.[29] In 1803, when the restart of hostilities between the French and the British was imminent, the French commissar of commercial relations at Smyrna, Choderlos,[30] put into execution an old regulation from 1781 ordering the confiscation of all woollen cloths and caps entering the Ottoman Empire from France on French ships that were consigned to non-French commercial houses; he thus proceeded with the confiscation of two cases of caps consigned to the British firm Lee and Sons of Smyrna.[31] Choderlos informed Werry that all the textiles transferred from France to the Ottoman Empire on French ships addressed to British houses would be confiscated.[32] In May 1803, Straton advised Werry that if Choderlos insisted on the confiscation of British property, he should enter a strong protest, labelling the step as one subversive to the principle of good faith and mutual confidence essential for trade.[33] During the Napoleonic wars, some British merchant houses collaborated with the French and received merchandise from French ports. This was the case of the Lee and Sons in Smyrna who, in 1802 and 1803, received from Marseille goods, textiles and caps for their own account and for the account of their friends.[34] Lee and Sons collaborated with other French and foreign merchant houses and agents in the Ottoman Empire, and it is known that their agent in Brussa (Bursa) who bought and forwarded them sheep wool was S.B. Arles. Maltass and Co, John Perkins and Ed. Hayes and Co also conducted business with France and French firms. After the end of the war, British freemen continued to collaborate with French commercial houses in the Levant (Daubuz and Co of London with De Gras and Co of Smyrna in the indigo trade in 1817).[35] In 1811, some company members sought to expand their activity to Gibraltar and Minorca. For this reason, the company enquired from the admiralty in London whether in these places there were persons authorised by the government to appoint convoys for ships or vessels or to grant licences for ships and vessels to sail or depart without a convoy. After the end of the Napoleonic wars in particular, British freeman and factors from Constantinople, Smyrna, Salonica and Larnaca and many British protégés collaborated with

British and foreign firms in the free ports of Trieste and Leghorn and in Genoa and Messina. Egypt, Morea, the Ionian Islands and Gibraltar remained common destinations for British and foreign vessels carrying merchandise owned by the British.[36]

In 1821, when British trade in the Ottoman Empire was interrupted by the Greek revolution, Lord Castlereagh, the foreign secretary, was presented with a report on the advantages of the establishment of a consul in Trebizond (Trabzon) that would promote the expansion of trade in the Black Sea area and, further afield, to Persia. The British government was particularly interested in this prospect as it would channel British manufactures to the vast Persian market.[37] The British authorities had to wait for some time before the company informed them on the practicability of extending national trade in that direction. From the outset, the company was not particularly enthusiastic about this prospect and it delayed providing the information.[38] Eventually, the consul general and the company's secretary delivered a rather negative report on the project to the Board of Trade; their argument had been based on discussions that the Constantinople assembly had and, as such, they reflected the doubts of the British merchants. As Liddell explained to Thomas Lack, secretary of the Board of Trade, on 14 April 1821, at a meeting held on the previous 21 November the factory members had declined once more give their opinion on the subject as they were yet to obtain the necessary information that would sustain such a project.[39] Two years later, no individual merchant had given the company any indication that he would expand to Trebizond if consular protection were available there. This, Liddell pointed out, was the best criterion of the practicability of an expansion of the company's activity to this area.[40]

CHAPTER 9

STRATEGY: COMPLIANCE AND DEVIATION

Indirect Trade

From the late eighteenth century, the gradual opening of the company's trade to encompass Ottoman protégés and foreigners, offering them special status and privileges in order to assist British trade and navigation in crisis, multiplied the opportunities for profitable business ventures and collaborations outside the company's jurisdiction. When peace was restored, the new conditions of freedom of trade fuelled the competition between European merchants further, making it impossible for the company members to return to the old methods and techniques. Efficiency called for flexibility, and for the Levant freemen there were rules to be respected and duties to be fulfilled. In order to respond efficiently to these challenges, opportunities and pressures, they had to adopt a combined strategy of compliance and deviation that sometimes brought them into direct confrontation with the company administration and some fellow members.[1] To forward their business interests, many followed their own initiatives while retaining their ‘freedom’, invariably bringing them to the company's attention: they seized opportunities arising within local markets, ventured into partnerships with British and foreigners, pursued offices and established power relations inside local societies.[2] Other times, they advanced their business by adopting the tactics of individual traders in a coordinated and bold manner, contravening the company's regulations and prejudicing its interests.[3] Of these strategic choices, the company reacted strongest against the involvement of its members in indirect trade, the engaging of foreign vessels and the evasion of duty payment by various simulated techniques and fake operations. These methods put the rest of the company's members on an inferior footing. Second, they reduced the

company's revenues significantly. Third, and most importantly, they signified the willingness of the greatest part of the British merchant community to operate in conditions of freedom where the only aim was the maximisation of profit.

The first signs that members were prepared to breach the company's regulations systematically emerged at the beginning of the eighteenth century. According to a contemporary factor, the taking of the oath – a process of great symbolic value that bound members to the company and its laws – had lost its significance and had no real effect other than putting freemen at a disadvantage in relation to their fellow English traders.[4] The clandestine importation of foreign currency, selling on credit and bypassing the general ships system were some of the earliest and commonest violations of the company's policy, as were partnerships between freemen and non-freemen and foreigners.[5]

In 1800 Jacob Bosanquet, describing the situation of the Levant trade to Sir Stephen Cottrell, secretary of the Board of Trade, pointed out that the difficulty of freighting British ships during war had encouraged the indirect trade in Levantine products.[6] The British freemen and the independent merchants, Bosanquet noted, had found other ways of importing Ottoman goods into Britain. They imported the goods from other places that were 'not within the knowledge of the Levant Company'; their entries therefore did not appear in the company's registers. In this manner, the British merchants avoided the payment of the company's standard duties in the Levant and on imports to Britain. As Bosanquet underlined, the company's charter forbade the importing to Britain of Ottoman produce and manufacture unless they came directly from the Ottoman Empire or from privileged trading posts within the Mediterranean, such as Malta. Any form of indirect trade with the Levant harmed the interests of the company and those of its members that were faithful to their oath and traded directly with Britain.

Indirect trade with the Levant had been persecuted by the company since the first days of its operation. In the eighteenth century, the establishment of an indirect trade network through Leghorn, at that time a major English *entrepôt* and a duty-free port, was met with dismay by the company as it interfered with the activity of the Smyrna factory.[7] Those freemen who chose this trade route and strategy sent British-made cloth to Jewish and Armenian merchants in Leghorn, who then dispatched it to their representatives in Smyrna, thus taking business away from the British factory there. They also bought silk and mohair yarn from Leghorn via Marseille, paid duties and brokerage in both ports and sold at better prices than the rest of the

company merchants in the London market. The operation of this network was tolerated by the company when war disrupted trade and transport in the Mediterranean.

In the late eighteenth century, Malta replaced Leghorn as the major British *entrepôt* in the Mediterranean and a port-of-call for British merchant vessels. Through Malta, extensive indirect trade of British and Levantine commodities was conducted during the French and the Napoleonic wars, with British, Maltese, Americans, Ottomans and other traders from neutral states collaborating in a multitude of operations and transactions. Freemen established in London and the Levant participated in this trade, which took off during the Anglo–Ottoman war (1807–9) when the members of the Levant factories were transferred to Malta. Levantine products were also sent to Britain from Gibraltar (in 1810, Milner and Chaplin imported to London Ottoman silk via Gibraltar).[8] Great quantities of madder root, one of the most important return cargoes from the Levant, were imported to London by independent merchants from Holland, Ostend and Hamburg, using various pretexts to sidestep legislation and annul the company's monopoly (Porter and Veitchner in 1806, other London firms in 1812, Haselden and Willis of Liverpool in 1821).[9] It is not clear whether freemen participated in this trade.

As emerges from the company's correspondence, many captains and non-freemen involved in the indirect trade of Levantine goods applied for and received the freedom of the company in the British ports they arrived at in order to import their merchandise without paying excessive importation duties. The company consented to these practices out of political ‘expediency’, especially when it gradually became clear that it would be impossible to control the indirect trade of Levantine goods. By that time, an extensive indirect trade through the Italian ports of Leghorn, Trieste, Genoa and Venice had developed under the cognisance of the British government. In 1814 British manufactures and colonial goods arrived in the Levant on British ships and were then re-exported to Italian ports for the account of British merchants. The company had on many occasions declared publicly that goods of Ottoman (Egyptian included) growth and produce could not be imported indirectly to Britain except via Malta and the long-privileged ports of Trieste, Venice, Genoa and Leghorn. Silk and mohair were excluded from these regulations. The data collected by the British consuls in Salonica and Larnaca during this period are indicative of the extent of the indirect trade (*Tables 9.1, 9.2, 9.3* and *9.4*).[10]

In the new bylaws published in 1817, the company had introduced a new regulation according to which goods imported to the Ottoman

Empire from the United Kingdom via Gibraltar, Malta or other intermediate ports of the Mediterranean would have to pay duties in the British consulates in the Levant according to a special list of rates. Despite this, British officials in the Levant and company members considered the company's bylaws incapable of controlling indirect trade efficiently, especially when the great bulk of it was conducted undercover, with British non-members, protégés and foreigners hiding behind one another in order to avoid consulage and duty charges.[11] When in the same year the British government considered exempting the indirect trade that went through Venice, Trieste, Genoa and Leghorn from the company's duties, the company's reaction was immediate. In a letter sent to the Board of Trade, it maintained that such a resolution put the Levant trade conducted through these ports on a more favourable footing than that carried from Malta and Gibraltar; the decision would also discourage British navigation.[12]

Table 9.1 British consulate in Salonica: arrivals, 1816–18

Year	Trieste	Leghorn	Genoa	Malta	Messina	Kefalonia	Total
1816	4	3	2	2	1	–	12
1817	1	–	–	4	–	–	5
1818	–	–	–	3	–	–	3

Table 9.2 British consulate in Salonica: departures, 1816–18

Year	Trieste	Leghorn	Genoa	Malta	Messina	Kefalonia	Total
1816	5	4	1	2	–	1	13
1817	2	–	–	–	–	–	2
1818	–	–	–	2	–	–	2

Table 9.3 British consulate in Larnaca: arrivals, 1815–17

Year	Trieste	Leghorn	Genoa	Malta	Sicily	Venice	Total
1815	7	2	5	8	1	3	26
1816	1	3	–	3	–	–	7
1817	1	2	–	1	–	–	4

Table 9.4 British consulate in Larnaca: departures, 1815–17

Year	Trieste	Leghorn	Genoa	Malta	Sicily	Venice	Total
1815	3	3	3	1	–	1	11
1816	5	1	2	1	–	1	10
1817	–	4	–	1	–	–	5

In 1818 the Smyrna vice-consul, Nathaniel W. Werry, provided the

company with a detailed and disappointing account of the extent of the indirect trade operated between Britain and the Levant, insisting that measures be taken to control it immediately, for the benefit of the company and its members. This trade was mainly conducted by British protégés, mainly Ottoman subjects, for their own account and for the account of foreigners and British non-freemen to whom the Ottoman merchants lent their names. This very common method significantly reduced the company's revenues, allowed foreigners and non-members become involved in the company's trade and damaged the activities of the British freemen resident in the Ottoman ports because Ottoman subjects, foreigners and British non-members did not hire them as commissioners and brokers in order to avoid paying dues to the company.[13] Werry's concerns were unable to interfere with the course of events from the moment the British government implemented a foreign trade policy that contested openly and directly the company's privileges and authority.

In 1822, the indirect trade with the Levant received another boost under the terms of a new reformed navigation act (3 Geo. 4 c. 43) that reflected the free trade plans of William Huskisson. Its eighth clause allowed the importation of Ottoman products from the Ottoman Empire or any other port, for domestic consumption.[14] This was a final blow to the company's privileges and status; it undermined those Levant merchants and ship owners who were still engaged in direct trade from the Ottoman Empire. On 5 December 1822, Jacob Bosanquet, the deputy governor, told Lord Grenville, the governor, that the Navigation and Commerce Act would ‘bear so peculiarly hard upon the Levant trade as to threaten its gradual extinction’. He presented Grenville with a memorial for the Board of Trade prepared by the general court detailing the consequences of the new regulations for the Levant trade. Bosanquet requested that Grenville support the memorial ‘in such a manner as Your Lordship may deem most proper and effectual’.[15]

Within months, the indirect trade of Levantine products had boomed; by the end of the year, cargoes had arrived in London from Calais, Antwerp, Cartagena, Amsterdam and Odessa, in Bristol from Zante (Zakynthos), and in Liverpool from Corfu and Le Havre.[16] In a final attempt to gain control of the situation, the company requested clarification of the eighth clause, however the company's memorial to the Board of Trade remained ‘unanswered’.[17] In 1823, the Board of Trade confirmed that the clause allowed the indirect trade of Levantine products for home consumption.[18] This reply signified the beginning of the end of the company's long history. The signs were ominous given that William Huskisson, the president of the Board of

Trade, declined an urgent request from the company administration to discuss the matter.[19]

As a crisis-exit strategy devised by the members of the company to sustain their business during wartime, indirect trade continued to develop in the postwar period around and through the Levant Company with the involvement of freemen, British protégés and independent merchants. Its expansion was another demonstration of the determination of British and foreign merchants to adopt flexible and efficient business strategies that would augment their profits within a competitive business environment; an expression of free trade practices that put the company into a vulnerable position having to fight for its privileges and its future with government and state officials, some of whom were already planning its dissolution.

Foreign Navigation

The employment of 'foreign' vessels was another profitable strategic choice undertaken by company members and was linked to their attempt to pay lower freights and evade some of the heavy duties imposed on British trade by the company. This practice was also particularly detrimental for the company as it reduced its revenue, demonstrated the decay of its control mechanisms and exposed its lack of cohesion. The term 'foreign' did not cover Ottoman vessels, which soon after the beginning of the French wars had been put under British protection to serve British trade as neutral carriers all around the Mediterranean. Instead, it referred to other European vessels – Austrian, Russian, Dutch, etc. – which were employed by British merchants on account of the guaranteed low rates of import and export duties they were charged in Ottoman ports.

The hiring of foreign vessels by British freemen became more common during the Anglo–Ottoman war of 1807–9. Consul general Isaac Morier raised the practice with the company in various letters sent from Malta, where the British factories had evacuated after the outbreak of hostilities. The war had impeded the British merchants from utilising Ottoman vessels, meaning they could only reach the Ottoman coast by engaging foreign vessels.[20] The company's administration back in London tolerated such practices for some time, but in 1809 it instructed that it would no longer be permissible to ship Levant produce to the Ottoman Empire on foreign vessels, with the exception of Ottoman ships.[21] This severe reaction was meant to protect British navigation on the one hand and guarantee its revenues from duties charged on British vessels on the other.

The employment of foreign ships for the purposes of indirect trade threatened its monopoly and encouraged British freemen to engage in free trade. On various occasions in the following years, company officials accused those of its members that hired foreign vessels of showing disrespect for the national interest and of being motivated by personal profit only. In a letter to Morier in 1812, the company noted that, 'If it were necessary to say anything upon the subject of British merchants employing foreign ships, it would be impossible for us to decide otherwise than that in all cases where such preference is matter of choice and not of necessity, merchants so conducting themselves ought to be doubly taxed, in punishment for their selfish indifference to the welfare of their country.'[22]

One of the main reasons that the British freemen and their factors employed foreign vessels was to evade the company's duties. On 15 January 1812, the company expressed its surprise when Morier reported that, the company's factors were reluctant to register, with the company's treasurers, goods shipped with and received from foreign vessels. British freemen did not feel bound to do so under their oath as it would make them liable to pay two consulages, English and foreign, which gave foreign merchants a great advantage over them. The company advised Morier to draw the factors' attention to the 'unreasonableness and impropriety' of their behaviour.[23] Using any pretext to avoid the payment of consulage represented an insult to their fellow subjects at home who faced similar or much heavier burdens. The consulage paid by company members was 'the legitimate means of supporting the establishment upon which alone depended the security of their person and property'. It was certainly not a good strategy, the company maintained, to endeavour to lessen this support. The freemen's behaviour provided a 'bad example' to foreigners, Ottoman and otherwise, who were engaged in the British Levantine trade and were charged with the duty of 'foreigners' by the company.

Morier and the Constantinople treasurers were not the only officials confronted with the refusal of company members to pay duties.[24] In Alexandria, Peter Lee encountered similar problems, with members refusing to pay consulage for goods exported and imported on foreign ships. In July 1815 the company instructed Lee to insist upon collecting the duties on the grounds that being liable to foreign consulage did not authorise the British merchants 'to claim an exemption from the payment of ours'.[25] In 1816 the British consul in Larnaca, Antonio Vondiziano, received similar directions.[26]

The company's consuls were given precise directions not to offer protection to foreign ships, some of which were British property,

purchased by members of the company and sailing under a foreign flag. In 1814, Morier foresaw for the first time the great competition that British shipping would encounter after the end of war. According to Morier, British merchants would prefer to sail with Austrian, Ragusian, Dutch and even French vessels 'if our consulage rates prove to be higher than theirs'.[27]

In 1816, Francis Werry and James Brant, consul and treasurer at Smyrna respectively, wrote letters to the company outlining the problem by referring the first to its increasing significance and the problems encountered when attempting to levy consulage on British merchants transferring goods on foreign vessels. Werry referred to the postwar creation of a numerous diverse merchant marine fleet made up of Venetian, Ragusian, Triestine and Dalmatian vessels that charged very low freight and was bound to attract the Mediterranean transport business; British shipping would suffer another blow from this development if the Levant Company did not fix the consulage paid by foreigners hiring British vessels on a moderate scale.[28] For his part, Brant admitted that he had great difficulty in collecting the consulage charged on goods belonging to British subjects shipped on board foreign ships. Unless the factors themselves voluntarily made their entries available, Brant could not ascertain for whom the goods were being shipped. Apparently the members of the factory refused to comply with the company's regulations, a practice that Brant seemed to comprehend, pointing out that for a British merchant it was particularly hard to pay consulage to the British authorities once he had already paid money to the authorities representing the flag of the foreign ship he had employed. In addition, as many British merchants carried merchandise for foreign accounts acting as commissioners, this procedure weighed heavily on the cost of the whole transaction, damaging their business and their foreign connections. Brant's personal opinion might have interfered with his official duties as the company's treasurer. In July 1816, Brant was in fact accused by a company member resident in Alexandria in Egypt, William Maltass, of never extracting consulage from British houses on goods which they exported and imported on foreign vessels; Maltass asked the company's secretary, George Liddell, whether this practice was legitimate.[29] For what concerned the future of British merchant navigation in the Mediterranean, Brant, like Werry, was of the opinion that the only way to effectively sustain British shipping and secure for British vessels the carrying trade to Trieste and other Italian ports, as well as the corn trade from Odessa and Alexandria, was to reduce the consulage charged by the company on goods belonging to foreigners and shipped on British vessels.[30]

Maltass' accusation of Brant's practices at Smyrna had a clear motivation, as his letter included a request to be exempted from the payment of British consulage on foreign property shipped and received by other British merchants and foreigners using foreign vessels. Maltass, like many other freemen and independent merchants at the time, had traced a new direction in his career by undertaking trade operations on commission for the account of other foreign merchants. The company refused his demand on the grounds that it could not comply with it 'without abandoning established principles'.[31] What is interesting here is Maltass' insinuation that a Smyrna factory official showed favouritism towards particular company members. The company's administration had made similar allegations against Morier when they referred to the 'indulgencies' and 'exceptions' at Constantinople and Smyrna. Liddell's letter to Francis Werry presenting Maltass' insinuations was also significant as for the first time it presented all of the complex problems – both with political and economic consequences – that the employment of foreign vessels caused the company. As he wrote:

> This was an erroneous act and was against the company's bylaws. The company are fully aware of the objections made by merchants to payment of the consulage alluded to, but as it is reasonable that all should equally contribute towards the maintenance of the common protection and as Turkish shipping must be supported the company cannot sacrifice the national interests entrusted to their care for the sole purpose of enabling individuals to execute foreign commissions more advantageously.[32]

In 1817, the Foreign Office confirmed that foreign vessels were employed in preference to British for trade carried through in the Mediterranean.[33] In a report, it mentioned that some of these foreign vessels enjoyed the protection and privileges of the British flag by obtaining Mediterranean passes or other documents issued by British consuls or vice-consuls. To remedy the situation, Castlereagh, the foreign secretary, issued a directive that no ship was to be considered a British vessel and enter ports unless it was registered as such by the British authorities and was owned, manned and navigated as required by law. Only British vessels and vessels belonging to the Maltese, Gibraltarian and the Ionian Islands fleets were entitled to a British Mediterranean pass. Foreign vessels purchased by British subjects would not be granted protection or Mediterranean passes by the company's consuls and vice-consuls. Despite the government's order, many company members continued to carry on trading from 'British to Ottoman ports upon foreign bottoms whilst those ports were open

to British vessels'. The company continued to denounce these practices and declare that those members engaging in them would suffer severe consequences: they could be penalised and lose the company's protection. The warnings were not heeded and the company was forced to take more drastic action. While preparing a new revision of its bylaws 'for the purpose of securing the carrying trade in Turkey to the British flags', the company, in cooperation with the government, provisionally adopted the Austrian tariff for consulage. The preamble of the resolution introducing this transitional measure openly stated that the Austrian merchant marine was considered a serious competitor to the British.

The new bylaws, published in 1817, made considerable effort to encourage members to utilise British ships by reducing duties.[34] In a letter sent to Morier in July 1817, the company confirmed that in the new bylaws 'the only material novelties introduced are the adoption of a table of consulage payable on the Mediterranean trade at rates so low as to obviate all reasonable objection to the employment of British shipping on the plea of the exorbitancy of our charges'.[35] And yet the situation did not improve. In 1818 British merchants, members and non-members of the company preferred to hire foreign, rather than British, vessels to avoid high consulage dues or bought vessels which they placed under the protection of a foreign nation, choosing to sail with the Austrian, Russian, or Greek Ottoman flag.[36]

Simulated Trade and Commissions

In 1818, in his report to the company on the state of the company's affairs, Nathaniel Werry, the Smyrna vice-consul, detailed the emergence of various forms of commissioning and intermediating undertaken by company members, British protégés, and British merchants arriving in the Ottoman Empire to pursue an independent career. These transactions included contracts with foreign houses. The service of intermediation and commission was often offered 'undercover', so that the foreign house could benefit from the privileges conceded to the British and their protégés to avoid the payment of excessive consulage and custom taxes. Werry defined these methods as 'simulated trade' and pointed out that they were mostly connected with the indirect trade carried on extensively between the Ottoman Empire and Britain during this period. Ottoman subjects who enjoyed special privileges as British protégés very often lent their names to foreigners who wished to trade avoiding the company's duties. They also employed foreigners, instead of Britons, as their factors in order to avoid paying brokes and fines to the British

authorities when they traded for their own account. These methods were, according to Werry, becoming a common practice among British merchants as well, including company freemen and non-freemen. British merchants arriving in the Ottoman Empire lent their names to foreign commercial enterprises and acted as their brokers and commissioners or transacted business for their own account through local commercial enterprises without possessing any local resources, connections, information, knowledge and experience of the local markets. They thus benefited from these types of collaboration agreements, utilising the warehouses, clerks, cashiers and brokers of the foreign merchants who were also responsible for making their entries and paying consulage to the British treasurers for their account but always undercover. According to Werry, all these forms of simulated direct and indirect trade and shipping had dramatically undermined the volume and value of the company's trade and had reduced its revenues; they had offended its status and damaged its privileges. Werry referred to the 'younger branches' of the company – meaning the second and third generation of young British merchants like himself residing in the Levant – who had been brought up and 'formed to commerce under a long, arduous and perilous residence in the Ottoman Empire'. The public and the whole world would admire them, he claimed, for having acquired that talent and knowledge with respect to the company's interests and affairs in the Ottoman Empire. To these young merchants, the company had the responsibility to exert control over all the forms of simulated trade that prejudiced their future and to guarantee them the exclusive privilege of the direct trade between the Ottoman Empire and Britain.

Werry's views reflected the disappointment of many Levant Company officials left concerned as the company's authority contracted and its revenues diminished dramatically while the volume and value of British trade in the Ottoman Empire continued to increase. Free trade strategies and techniques had replaced the traditional direct trade operated by the company's members and were putting the company under severe pressure isolating it. One way to react was to attempt, despite the considerable delay, to review its regulations in a manner that would allow it to embrace new forms and strategies of international trade. In 1819, the company contemplated the idea of permanently lifting all restrictions on partnership with foreigners, allowing its members to undertake commissions from Ottoman and other foreign subjects. George Liddell was authorised to ask the company's solicitors, J. Kaye, Freshfield and Kaye, about the legality of specific commercial agencies performed by the company's members. An attempt was also made to introduce a new bylaw that would allow the company members to act as agents for foreign

subjects in the direct trade between the United Kingdom and the Ottoman Empire.[37]

CHAPTER 10

TRANSACTIONS AND INTERACTIONS IN THE LEVANT: BARTHOLOMEW EDWARD ABBOTT, LUISA VERNON AND THE CONSTANTINOPLE FACTORY

Bartholomew Edward Abbott

Combining corporate with individual strategies to grasp opportunities inside volatile market conditions many of the company's freemen sought family and local footholds to further business while other opted for free collaboration inside local markets. Bartholomew Edward Abbott in Salonica, Luisa Vernon in Aleppo, James Sarell, John Prior, James Barband and John Cartwright in Constantinople represent such cases. Bartholomew Edward Abbott was a representative case of a second-generation British merchant who, relying on family, kin and local resources, set up a successful trading business in Salonica. His business strategy was complex and developed in various ways, comprising contacts from different operational and geographical areas and exploiting opportunities that arose within different business environments. In 1777, Abbott received 20 bales of cotton from London that had been loaded on Captain Currie's vessel *Resolution*, and in 1780 he imported a load of the valuable and exclusive violet wood to Salonica.[1] In the following years, Abbott, with his stepson Peter Chasseaud, set up the association B.E. Abbott and P. Chasseaud.[2] This company of freemen participated in joint ventures with G.F. Abbott and Co, the company set up by Abbott's son George Frederic and the Greeks Theodore Choidas, Niccola Zade and Ioannis Gouta Caftangioglou. Abbott and Chasseaud and G.F. Abbott and Co imported merchandise from Britain (textiles, cotton yarn, sugar, earthenware, silverware and other British and colonial products) and exported tobacco, sponges and grains. They imported

cotton yarn through Lee and Brant of London and Smyrna. They also traded sponges and sugar in collaboration with Roux Frères et Cie of Marseille, cinnamon and other colonial products with Edward Hayes and Co; they collaborated with British companies operating in Malta like Fletcher and Co, Mathew Fletcher and J.L. Gout.[3] The Abbott enterprise relied heavily on family capital, connections and personal effort. Abbott's partner and stepson Peter Chasseaud was also related to the Abbott family through his marriage to Mary Abbott, Bartholomew's niece. Abbott provided two-thirds of the capital for Abbott and Chasseaud; Chasseaud a third. The company's capital had been advanced by relatives – Sarah Abbott, his wife; George Frederic Abbott, his son; and Ioannis Gouta Caftangioglou, the father-in-law of his son George Frederic – who were the company's major creditors. In 1816 the capital of Abbott and Chasseaud amounted to 222,893.49 piastres. Of this, 69,904.11 piastres had been invested by Sarah Abbott, with her credit divided between the two partners: 46,943.20 piastres to her husband and 22,961.91 to her son, who was from her first marriage. According to the liquidation plan of the company, George Frederic Abbott invested 36,570 piastres in the enterprise and his father-in-law, Ioannis Gouta Caftangioglou, 22,624 piastres. Abbott's daughter Annette Abbott Parsy had deposited her dowry of 10,000 piastres with the company. Other members of the Chasseaud family and well-known members of the Jewish and the Greek merchant community of Salonica had also invested minor sums in the company.[4] Abbott's business strategy was certainly not innovative, as the organisation of many eighteenth-century international commercial houses benefited from family solidarity and capital. Distance from the country of origin and the necessity of operating within a foreign environment strengthened family, kinship and ethnic bonds, phenomena that have been interpreted with reference to the entrepreneurial achievement of various diaspora merchant communities that had a leading role in the commercial expansion in the eighteenth century. The Abbott enterprise also took place within a milieu of European merchants established in Salonica permanently or temporarily, bound together through business, credit, sociability, kin or identity, and organised around the local British factory, the European consulates in the city and the foreign merchant communities.[5] As a Levant Company member, Abbott was occasionally nominated proconsul at the British consulate. He therefore took advantage of his positioning in the company's administration while he took offices representing other European merchant groups. During his career Abbott also served as vice-consul of Sweden and Denmark in Salonica and, for a period, he undertook the representation of Venice.[6] The European merchant community of

Salonica offered Abbott another important terrain for encountering and recruiting collaborators, partners, connections and ‘friends’. Abbott's entrepreneurial form and strategy was built on his participation within a system of overlapping circles of relatives, social and business acquaintances, collaborators and friends, who were all bound together by reciprocal relations of interdependence.

Luisa Vernon

Luisa Vernon represents another case of a member of an old, wealthy and prominent family of Levant merchants which, during this period of great risks and opportunities, undertook business activity with determination and audacity. Luisa was the eldest daughter of Thomas Vernon, who is known to have died in Basra on his way to India.[7] The members of this branch of the Vernon family were distinguished Levant merchants in Aleppo, together with the Bosanquets and Radcliffes. It seems that the Vernons remained in the Levant trade for almost four generations.

The last known trader of that name in Syria went bankrupt in 1765.[8] Luisa Vernon was first married to David Hays, who was the factor of David Bosanquet in Aleppo and acted as proconsul of the Levant Company from 1783 to 1784.[9] Following his death, she married Robert Abbott, who succeeded Hays as agent and proconsul until his own death, in 1797.[10] Abbott had also been an agent of the East India Company. After her second husband's death, she took over his business activities and replaced him in his duties as a Levant Company consul and an East India agent, ‘with great spirit’.[11] It is not clear whether the Levant Company's administration was informed about her activity between 1797 and 1799.[12]

Luisa Vernon followed all her husband's affairs and had knowledge even of those deals that had been done ‘by oral communication’.[13] Attending for two years all public and private affairs of the Levant and the East India companies in Aleppo, she was the recipient of confidential information on the transactions of the two companies and their members. She dispatched news and documents to the East India Company agent at Constantinople, while distributing the Levant Company's correspondence as well. She had kept account books, memorandums, bonds, deeds, obligations and business letters of public and private nature. Although Abbott had died intestate, she had failed to produce an authenticated inventory of his property immediately on his death. Her negligence to follow the common procedure for the liquidation of his effects had been ‘very important and consequential’, causing strong dissatisfaction and disbelief among

his creditors.

In April 1799 the appointment of John Barker by John Spencer Smith, the minister plenipotentiary at Constantinople, as Abbott's successor, trustee and administrator of his estate, put an end to Luisa Vernon-Abbott's career in the Aleppo consulate. This did not affect her business dealings, as she appears to have founded her own commercial house in Aleppo and collaborated with British and French commercial enterprises in Baghdad. In 1803 Barker informed Harford Jones, British consul and resident of the East India Company in Baghdad, about the commercial business between 'Mrs Abbott' and J.F. Rousseau and Son of Baghdad.[14] An agent of the French East India Company in Basra and, later, French commissioner for commercial relations in Baghdad, Jean-François Rousseau had transferred to Aleppo in that year, where set up a business with Vernon-Abbott, the exact nature and geographical extent of whose enterprise is unclear.[15] Aleppo, served by the port of Scanderoon (Iskenderun), had traditionally been the chief trading centre for the westward distribution of products arriving from the Indian Ocean coasts. Silk from Persia, from western Turkey and from the producing regions of Syria itself was the main commodity of trade; English cloth was bought in large quantities for use by the well-to-do Syrians, and sent on to Baghdad, Erzurum, and beyond to Persia.[16]

Vernon-Abbott's local connections in Persia probably went back to the days of her father, while David Hays and Robert Abbott must have had plenty of connections along the route from London to Bombay via Persia.[17] Aleppo was an important mail conjuncture for London–Persia–India. During her unofficial term of office, Luisa Vernon had acted as an intermediary agent forwarding letters and reports from Aleppo to various recipients, officials, agents, and members of the Levant and the East India companies.[18] Her activities from 1797 to 1799 had certainly added to her knowledge and experience of local conditions and people in the area. Her joint enterprise with a distinguished, Baghdad-based French merchant house in the middle of the French wars in Europe was a demonstration of her confidence and daring spirit and, as such, perfectly matched the bold business strategy trends required during this period.

The Constantinople Factory

The form and strategy of a number of British firms operating in Constantinople shortly before the outbreak of the Anglo–Ottoman war in 1807 confirm their readiness to diversify, form partnerships and seize opportunities. This emerges from the reports of the losses

incurred and expenses sustained by the firms during the war, which obliged them to leave Constantinople for Malta until 1809, when a peace agreement was signed by the two countries. The merchants left behind pending business transactions and their warehouses full of goods. Their local brokers were obliged by the Ottoman authorities to submit details of the debts owed to the British merchants by the bazaar and shopkeepers, to whom the British had forwarded merchandise for retail. The reports of losses were prepared between August and November 1810 and were dispatched to the company in London so that the British government could reimburse them.[19] The first was for the account of James Sarell, from Exeter, who had arrived in Constantinople together with his two brothers.[20] He engaged in imports and exports for his own account and for his London clients, one of whom was a Joseph Brown. He imported British manufactures and colonial goods, telescopes, furniture and armaments, rum and musk. In his warehouse, he also kept quantities of wine that were either for personal consumption or for export back to Britain. Sarell collaborated with many shopkeepers of Ottoman, Italian or other foreign origin – C. Bazen, Domenico Lombardo, C. Pioggy, and P. Varteletti – who forwarded and sold his merchandise in the local market. He had business dealings with British firms in Malta, from where he received and forwarded goods such as corn and wine. James Sarell's clients were mostly foreigners, Europeans or Greek Ottoman subjects (D. and E. Bahais, Malcovich, and Gerasimo Vergotti). He was probably involved in credit and banking transactions, as his brother Richard Sarell, representing Sarell and Co, had a career as a banker in Constantinople.

The Prior family, comprising John, Thomas and George, trading as John and Thomas Prior Co, had accounts with a number of other British firms of freemen or non-freemen established in London, Smyrna and other Levant outposts.[21] They had business transactions with J.T. Daubuz, James Bolland, J. Blades and William Prior. They also collaborated with Lee and Sons and Edward Hayes and Co of Smyrna. The Priors were not the only merchants who, during the Napoleonic wars in particular, had dealings with members of the Smyrna factory, exchanging goods and commodities from one market to the other. This practice was so common that in 1811 the consul general, Isaac Morier, requested instructions from the company on how import duties should be charged on cargoes entering into either of the two ports and then being bought by other British firms and shipped to other Ottoman ports. They apparently operated as agents for a number of unnamed ‘owners of merchandise’, who delivered or received goods ‘in transit’. John and Thomas Prior and Co was a larger, wealthier and more well-connected enterprise than the one run

by the Sarells. In order to ensure the safety of their merchandise in storage in their warehouse in Constantinople after they had fled to Malta, they distributed sums of money and presents to various Ottoman officials in the city. They also advanced two years' rent and offered pieces of valuable muslin textile to the Ottomans who were present at the sealing up of their warehouse ‘for greater security of the property from pillage’. Their local broker had also paid various fees and offered presents to keep their property safe while they were away. John and Thomas Prior and Co and the firms collaborating with them forwarded their goods – British manufactures, colonial goods and luxury items, silverware and glassware – to shopkeepers who were expected to sell them in the market. In return, they accepted credit notes, payable from one to three months. Among the articles lost or stolen from their warehouse were valuable repeating and alarm watches, jewellery, Bordeaux wine and golden snuff boxes. The Priors had close contacts with the London administration and for a period John was treasurer in Constantinople.

James Barband was one of the longest-serving members of the Constantinople factory, known for his specialisation in the trade of cotton cloth and muslin.[23] He traded for his own account and represented in Constantinople the merchants Edmund Hill, George Carr Jr and William Scott and Co. In the local market he did business with the Greek drapers Niccolo and Alexander Parisi and he received and dispatched goods to and from Malta and Sicily.

John Cartwright traded for his own account and also had a number of ‘correspondents’, among them, according to his reports, Captain Llewellyn, J.F. Iselin of Messina and Walmsley, Turner and Co.[22] Cartwright traded wines in great quantities (Marsala wine and port, Claret, Lisbon, Favel and Graves) and tobacco and imported all sorts of British manufactures, mostly firearms and guns, pistols, gun barrels, gun locks, silver-mounted and other simple armaments in cases, English watches, plated ware, glassware, coffee pots, muslins, glass armaments for ‘spades’ (possibly Italian-made épées for fencing, a fashionable sport during the period), lamps, common cutlery and silver hook cases, English writing desks, embossed cambric, etc. Like the Priors, he had business dealings with British firms in Smyrna, where he kept a second warehouse. In Constantinople he represented Malta-based British firms and had trading and financial dealings with Italians, French and Greek merchant companies.

Like Bartholomew Edward Abbott, Luisa Vernon, John Prior and many others, Cartwright sought to combine his business activities with holding public office – a tactic that delivered honour, power and social bonds, some considerable revenue and direct access to

important information. Cartwright was appointed by the company as its consul at Patras – the heart of the British currant trade in the Levant – and later on he took the prestigious position of consul general at Constantinople, replacing Isaac Morier after his death.

PART 4

BUSINESS, SOCIAL IDENTITY AND EVERYDAY LIFE

CHAPTER 11

THE ABBOTT HOUSE

Goods, their production and manufacture; types, qualities, quantities, value, scarcity and abundance; as well as their prices and how they were taxed were a major concern and an everyday challenge for the merchant.[1] In the Levant Company's orders and bylaws published in 1800, 72 articles out of 138 concerned the management of merchandise traded between the Levant and Britain: the consulage, duties and fines charged on goods; the procedure of entering goods in various ports and recording their volume and value; the handling of goods by factors and non-freemen; the rights of ship commanders to carry and trade goods for their own account; special categories of goods such as those imported from Persia and Basra, pearls and jewellery; and measures for the protection of goods from the plague. Although predictable, remarkably far more attention was given to issues relating to goods than to other major issues – there were nine articles regulating factory assemblies, six relating to meetings and the tasks of the general court, and four articles relating to the appointment of consuls and consul generals.

At the same time, the goods and products used by the British merchants in the Ottoman Empire to furnish their houses, dress themselves and as accessories in their everyday habits reflected the close connection between their professional and social identity and the way local society, culture and relations influenced their life and behaviour; they reflected their aesthetics, their social and geographical origins and their wealth as much as their business strategies and investment patterns. All the above parameters are revealed in the extensive inventory of the household of a British merchant, Bartholomew Edward Abbott, a freeman and proconsul who operated in Salonica, an important centre of British Levantine trade in the early nineteenth century.[2]

The long inventory of the Abbott house was compiled by the chancellor of the British consulate in Salonica, James Charnaud,

between 26 February and 5 March 1818, one year after the death of Abbott on the 18 March 1817 and one month after the death of his wife, Sarah.[3] The children of the couple, George Frederic, Annette Parsy and Cannela Gliubich were present at the inventory, while some members of the international merchant community of Salonica were invited as witnesses.[4] Deaths of British subjects in the Levant were registered in the British chancelleries and therefore registration formed part of the responsibilities of Levant Company officers until 1825.[5] When the British subject passing away was also a partner in or a director of a commercial enterprise, the situation was more complicated as the British consul was entrusted with the partnership's dissolution, the settlement of accounts, the liquidation of the company's capital and property, the reimbursement of debts, credits and interests, and to complete any pending transactions. The execution of a will and the process of settling the various disputes arising between heirs and other beneficiaries, who were sometimes non-British, involved the company's officers together with the officers of other merchant communities in long processes of negotiation and exchange of correspondence that culminated – if no agreement was reached between the different parts – in referral to the consul general or British ambassador in Constantinople or the competent courts in Britain.[6]

The Residence

The precise location of the Abbott house is not known, although one may presume that it was in the ‘quarter of the Franks’ in Salonica, the neighbourhood of many other European merchants including the British consul Francis Charnaud.[7] The family also possessed a summer house in the fashionable suburb of Urendjick (now Retziki or Pefka) and a number of warehouses in the city where Abbott stored his merchandise.[8]

The Abbott residence was a one-storey house built on a raised foundation and surrounded by a garden. The family rooms, reception halls and the utility rooms were arranged on the right and the left of a long corridor, which was a central architectural element in the house. There was a belvedere, a big hall with a view to the garden and probably to the area surrounding the house, a large reception hall, an office and a library, an everyday dining room, a kitchen and storage rooms. The Abbott's bedroom communicated with a wardrobe and a service space called a *gabinetto*. The household also had a servant, called Kiriakoula, whose bedroom was in the attic over the kitchen. It is likely that the house was linked by a corridor to a separate

apartment where Abbott's son George Frederic lived.

The objects, furniture, decorative items and utensils listed in each room indicate a distinction between areas intended for socialising – a kind of 'front stage' – and others where family and everyday life was conducted, the 'back stage' of the house.[9] The grand reception hall, comprising the formal dining room, the belvedere and the office–library, were thus divided from the rest of the rooms in the house (bedrooms, everyday dining room, kitchen, storage spaces and cloakrooms) by the corridor and built-in wardrobes, cupboards and closets.

The 'front stage' areas of the Abbott house revealed the way of life and habits of a grand British merchant. The reception hall was a foyer of great dimensions, capable of receiving a large number of people. The style of the interior decoration suggested the type of sociability and the upper-class pattern of receiving people and offering hospitality in the period.[10] Luxury and semi-luxury items that from the beginning of the eighteenth century appeared more frequently and in great variety inside the houses of the most well-off classes of Britain furnished the Abbott house and are described in detail: big and small furniture items made of mahogany, silverware, art works, mirrors, chandeliers, watches and clocks, books and Chinese porcelain.[11] Of special importance were the clocks decorating different rooms – among them a valuable sample of Eardley Norton's masterworks[12] – and the 45 paintings comprising works of a very fashionable artist of the period, Vernet, and some Flemish artists; there were also paintings of historical events, representations of pastoral themes in the so-called Venetian style, still lifes and portraits of beloved persons. 'Marble columns' were set in cloisters – a category of decorative elements greatly appreciated by the members of the aristocracy and upper class in a period of yearning for antiquity. Silver utensils, lighters and precious lamps made of crystal and silver stood on a great variety of tables of different sizes. In various other spots in the hall, there were trunks and other pieces of furniture, covered in valuable textiles and pillows, where linen, textiles, covers, linings and sewing materials were stored. Chairs, armchairs, couches and sofas decorated with precious pillows – a very common and indispensable decorative element in Ottoman houses – revealed an intense social life and an extended sphere of social relations. There were also game tables (cards, checkers and bouillotte) and a 'music table'. The floor of the hall was covered with large carpets and curtains hung above the windows. The great number of curtains (97 pieces) – another decorative element that has been connected with the development of a more complex and lavish culture among the affluent upper and middle

class of the eighteenth century – demonstrates an inclination to divide and protect the domestic environment from the outside world and to show particular attention to the decoration of rooms.[13]

Part of the hall was used as a formal dining room; it had a table and a dozen chairs made from mahogany. The abundance of dinner sets and table utensils, kept in the storerooms of the house, imply the distinctive and exclusive culture of serving and consuming meals developed particularly during the eighteenth century.[14] This culture comprised the use of decorated earthenware and porcelain, knives and forks of different qualities, specific manners during mealtimes, different ways of serving food and, finally, the newly-arrived ritual of morning coffee and afternoon tea. The great number and different qualities of the table cutlery and sets in the Abbott household represent precisely this tendency: a total of 526 dishes made of porcelain and faience belonging to different sets, 138 knives and an equal number of forks, precious glassware in different sets and an extraordinary number of precious and semiprecious table accessories and utensils for serving salad, soup, sauces, mustard, sugar, salt and pepper; finally coffee and tea sets – some of them made of silver.[15]

The room described as the belvedere had a view of the courtyard and the garden; it had panelled windows and doors and was probably used as a living room during some months of the year. Beside the belvedere there was the office furnished with a large desk and armchairs, small tables and a bookcase containing 305 book and journal titles. The origins of the furniture and objects and their quality and style suggest that the house was decorated in the Georgian style, common to British upper- and middle-class houses;[16] they are also indicative of the international character of the British merchant's enterprises and the influence this exerted on the lifestyle of the family in terms of their habits, customs and the interior design of their home. All the furniture and objects were made of high-quality and sometimes precious materials. The tables, chairs, armchairs, cabinets, cupboards, closets and trunks were made of mahogany, sometimes of walnut and pine wood. The pillows, curtains, covers, upholstery and tapestry were made of silk, velvet, Indian cotton or cotton of ‘Indian style and British manufacture’ (so-called ‘indiane’). Many objects, like the lamps and other decorative elements in the reception rooms, were made of silver; others of faience and porcelain. The dinner sets were made of porcelain, faience and crystal, some were silver or silver-plated and some were gilded. From the eighteenth century, all these valuable items, common to the mansions of the aristocracy and the royal courts in the previous centuries, appeared all the more frequently in the houses of an ascending class of overseas merchants, merchant-

manufacturers, manufacturers and professionals. The members of this class demonstrated an inclination to possess similar objects and to decorate their households in a way that revealed modernity, delicacy, civility and independence. These products were available in an infinite variety of designs, qualities and prices – the British Levant merchants had access to this market and many items arrived on the market of Constantinople, Smyrna and Salonica. A new economy of quality and pleasure in the eighteenth century determined a kind of revolution of consumption taking place.[17] This revolution was an explosion of new products combined with a new spirit of competition that induced people to buy them. The furniture and objects in the 'front stage' of the Abbott household were exceptional samples of British manufacture and industry traded by the British in the Levant and other markets of the world with great success during this period. These were the popular and fashionable products that fuelled and met the demands of the 'anglomania' craze for high-quality and valuable items.[18] The origin of some of the objects and products in the Abbott house indicated the geographical spread of the family business. The British merchants in the Levant did not only trade British manufactured products; they also had access to many other European commodity markets. Some of the objects in the Abbott household were made in France (furniture, works of art, paintings, decorative objects) and some others were made in the Ottoman Empire, with carpets in particular coming from Smyrna. The textiles were from England, India, France, Russia, Holland, Constantinople, Vienna and Cyprus. Dinner sets, tableware and glassware came from England, France and Bohemia.

The 'back stage' of the Abbott residence was very different from the reception rooms. The private and auxiliary spaces in the house emphasised the specific historical moment in the life of the family and reflected recent events. In their final years, the Abbott couple lived in the house alone, probably with some servants. After his death in 1817, the widow, Sarah, lived alone for some months until her death in January 1818. Among the evidence of this particular moment in the life of the family was the number of 'planks' piled on the floor in various rooms, apparently the parts of various pieces of furniture (couches, sofas, beds) that were disassembled when some of the rooms had changed use over the years; another piece of evidence was the fact that many valuable objects and important documents were removed from their original position and were transferred to Sarah's bedroom and wardrobe. These were mostly silverware: tea and coffee sets, lamps, snuff boxes, mugs, sugar bowls and some male and female jewellery; also various documents concerning the Abbott's enterprises and their property: wills, personal correspondence, bills of exchange

and bonds, cheques and a bundle of 'other documents'. In the two rooms there were also trunks and chests, closets, china cabinets, a commode and hangers. Stuffed inside them were various cloth textile samples, sewing items and an astonishing amount of linen. Her large bedroom comprised a big bed with curtains and canopy, an English dressing table, two pieces of furniture made of walnut wood, a mahogany wardrobe, two trunks, a heater, a sofa covered with a *makat* (sofa cover) and velvet pillows. The walls were decorated with four Vernets and white curtains hung in the windows. A large carpet lay on the floor. The bedroom communicated with the wardrobe room, which was furnished with a large cabinet with a mirror, a small table and a wooden sofa. There were three more paintings by Vernet in gilded frames on the walls. Heavy curtains trimmed with frills hung in the windows. The drawers of the wardrobe were full of linen, cloth and accessories, textiles, covers and sewing materials. Next to the wardrobe room, there was the *gabinetto*, an auxiliary room where a variety of objects of different uses were kept. Some of them served everyday needs ('night pot', 'an umbrella', some 'woollen mattresses', a vase full of 'theriaki' (opium), 'a pair of binoculars' and a cord 'to ring the bell'). There were also some valuable objects (a table clock, more Vernets and some religious icons, dinnerware and porcelain) and various items of clothing and textiles (a pair of new shoes, curtains, a small carpet, etc.).

The dining room was plainly decorated. It was furnished with a large table made from 'white wood' (probably white oak or pine) and a smaller one, a lantern, a cupboard and four salt cellars made from white crystal. In a small storeroom adjacent to this, a variety of different items were kept (frames, small tables, chairs, a lamp, a coffee pot, frilly curtains, an old carpet, sheets, a Venetian blind, a clothes iron, empty boxes and others full of various items). In the kitchen there was a table made from white wood. The cellars, where numerous jars and pots containing small quantities of foodstuffs and drinks were stored, provide details on the everyday food preparation and the dietary habits of the Abbotts; saucepans and cutlery for the preparation and consumption of meals as well as tea, chocolate and coffee were also kept there. In the corridor outside the kitchen, various domestic and cooking utensils, cleaning tools, foodstuffs and table linens were stored in closets. The valuable family tableware was kept, together with the glassware, tea and coffee sets, various crystal and silver-plated objects, flasks, covers, etc., in special cabinets. The quality of the cooking utensils was inferior compared to the luxury of the tableware. In the kitchen there were five kettles, a frying pan, four mortars, a large ladle, two meat choppers, a coffee mill and eight bowls.[19] The minor quantities of food and drink registered in the

inventory – flour, rice, frumenty, honey, syrup, olive oil and vinegar, also wine, beer, raki, rose-flavoured liqueur and rum – suggest that the kitchen had been cleared out after Sarah's death.

In the attic ‘over the kitchen’, there were two more small rooms: one for the servant Kiriakoula and a small storeroom. In Kiriakoula's room there were antlers hanging on the wall, probably a forgotten trophy from hunting, a sport exercised by many male members of the family. In Kiriakoula's room there were very few pieces of furniture and objects, reflecting the ‘front stage’ and the ‘back stage’ of a life of an eighteenth-century servant: two closets; two Venetian chests; an English lamp; a bed stove; a sewing box; a broom and a dustpan; two small mirrors, one of them broken; a teapot; and some copper saucers. Finally, in the storeroom over the kitchen there were 60 kitchen cloths, 22 hand napkins and a large number of towels; an indication of a way of life that adhered to the rules of hygiene and befitted the delicate manners displayed by the members of an eighteenth-century ascending middle-class, family.[20] There were two more storerooms in the courtyard: a small room for keeping various, everyday utensils (oil lamps, lanterns, bottles, stoves, coal barrow, etc.) and another shed where old furniture and lamps, heaters, jars, empty bottles, utensils and tools ended up. Among the various objects were two handcarts for coal and one made of ‘old iron for English use’, 18 copper grilles to use under the dishes, matches from France, eight pairs of scissors and 72 vases for general use.

The objects and the furniture located in the ‘back stage’ of the Abbott house had been brought from Britain (these were mostly made of tin and copper, dinnerware made of faience and porcelain, and silverware), France (table utensils made of faience, cooking utensils made of clay, pots, etc.), Bohemia (glassware and table vessels made of faience) and Venice (furniture). Many of the cooking utensils, containers and tableware must also have been bought in Salonica or Smyrna, where the family had once resided.

The interior of the Abbott house was arranged and decorated according to the standards of upper-class British households at the end of the eighteenth century. It was a domestic environment that emphasised and revealed to the public the economic means and the social and professional identity of the head of the family. The adoption of a way of life, habits and behaviour that alluded to an upper-class and aristocratic way of life was common among of eighteenth-century merchant entrepreneurs, and the British merchants in the Levant confirmed this pattern.[21] An interesting study of British merchants in Malta has revealed another speculative dimension in the possession of valuable objects and the setting up of fashionable and

wealthy households.[22] The possession of valuable objects and furniture by many British merchants in Malta therefore not only represented the lifestyle and the habits of an ascending wealthy class but also patterns of mercantile investment. These objects that comprised the British merchants' households represented a very important part of their possessions, and when the right time came they were sold at auction with great profit.

In Malta advertisements informed the public of British merchant households put up for sale: decorated in the ‘English style’, they comprised valuable pianos, silverware and crystal, mirrors and carpets that were all English-made and, as in the case of the Abbotts, had been shipped to Malta by their proprietors.[23] This was the case of one of the most important British merchants in Malta, Jameson Hunter, whose movable assets were equal in value to one third of his property. Robert Beckwith's household comprised a Broadwood piano, valuable books, a dining table made in London, chairs, sofas, carpets from Brussels and the Ottoman Empire, precious porcelain dinner sets and glassware, silverware and a beautiful library. It is worth noting that the British writer Thomas Wright Vaughan recommended that fellow citizens planning to establish themselves in Sicily carry ‘all the furniture they could take with them’ and ‘whatever was necessary for the table: linen, vases and glasses’, in addition to clothes and personal belongings not only because they would be very useful to them but also because they could be resold at great profit when their proprietors returned to England.[24] The sale at auction was eventually the destiny of the movable property and household objects of many British merchants established in the Levant, including the Abbotts'. [25]

A ‘Culture of Textile’

The use of a great variety of textiles and textile products in the decoration of the domestic space and the amount of apparel was one of the most striking features of the Abbott inventory. These products were either part of the household or were stored provisionally before being sent to some market, such as Salonica, Smyrna or even the markets of central Europe, for sale. Abbott's possession of all these different products had a social and economic significance, while it also revealed that part of his trade specialised in textiles. Stored in the closets, cupboards and trunks of the house were cotton textiles, gauges and calicos, silks, satins, velvets, flannels, muslins, Indian cotton, woollen cloths and also *mahout* and molletons. There was also a large quantity of frills and trimmings used in the linings of high-quality mattresses and pillows: velvet linings with golden finishes, woollen,

fur or cotton linings with stripes. The 27 sofa covers, some of which were described as ‘old’, were probably for personal use. Many of them were made of colourful cotton textiles, red and green or floral, and garnished with silk, silver and golden fringes. “*Bohtza*” were pieces of textile utilised in many different ways; one of them was to confection various merchandise before they were transferred to market for sale. Some *bohtza* piled in the Abbott house were made of lavish materials – velvet, satin and silk – and had elaborate borders made of silk, lahur (Lahore silk) and fringes. Other precious textiles stored in the Abbott home included 14 pieces of green and white gauze, some of them embroidered with pearls, lace, golden thread and silk, five packages of green velvet, muslin (white with red stripes and decorated with floral design) and 14 shawls made of lahur – some of them used by Sarah Abbott – coloured in green pistachio and embroidered with small red, light blue and white flowers, 13 pieces of molleton textile, 25 *makat* or cloth furniture coverings and pillows made of cotton and wool. Some of these *makat* had blue, red, or green stripes, some had fringes, some came from Russia and some from England, some were made of Indian cotton or English cloth, some had floral designs and some silver fringes. The 97 pieces of curtain listed in the inventory were part of the interior decoration. On top of that, there were 65 brand-new pieces of canvas in storage and destined for sale; some of them were white in colour and some had stripes. Packed into various trunks and chests were ribbons, fringes, yarns, cotton flakes and samples of textiles and buttons (used in Abbott's transactions), frills, piping and other types of borders.

The quantity, quality and origin of all the products in the Abbott household are characteristic for a historical period during which the textile trade was booming. One of the most intense aspects of the French–British antagonism, particularly felt in the Levant, concerned the commercial rivalry of the two countries in the textile-industry sector. During this period, the demand for valuable textile products in the Ottoman markets, especially in Constantinople, was high.[26] Precious cloths were received annually by the Constantinople factory to be offered as *avanias* or presents to Ottoman officials. Every six months, the treasurer was in fact obliged under the bylaws to give an account of the disposal of the cloth that had been ‘consigned to them [factory] for the Company's use’.[27] On the occasion of the Grand Signor's first audience with ambassador Robert Liston, satin, brocade, flowered velvets and ‘Indian stuffs’ in various colours, green, pistachio green, scarlet, royal blue, etc, were offered as presents to the sultan, the grand vizier, the reis effendi and numerous other officials, at a total cost of 8,799 piastres.[28]

The Abbotts, father and son, like many British merchants in Salonica, Constantinople and Smyrna, traded British textiles and cotton yarn in the Ottoman Empire.[29] The Abbott household was also full of objects that reflected how the family was influenced by Ottoman lifestyle, habits and fashion. The variety of rich textiles, such as pillow covers, mattresses, sofa covers, tablecloths, curtains and tapestries, suggest the diffusion of a 'textile culture', a term utilised by Suraiya Faroqhi to describe the aesthetic of the interior spaces in Ottoman houses.[30] British and other European trade in the Levant contributed to the development of this culture; the textiles possessed by the Abbott shed light on the international network of this trade in which Salonica participated during this period. The textiles and the stuffs enlisted in the inventory were made in England and France, while some of them came from Russia (cloths, canvases and *makat*), Holland (canvases), Vienna (yellow *mahout*), Constantinople (silks) and Cyprus (*bohtza*).

A mixing of European and Ottoman fashions was also visible in the attire of foreign diplomats in Constantinople, a very vivid description of which is given by Lady Mary Wortley Montagu in the letters she sent to various addressees from the British embassy.[31] Her description of her own 'Turkish attire' is very interesting and is presented to her sister Lady Mar: the extraordinary colours, qualities and textures of the materials used in her Ottoman-styled clothes are described in every detail.

In the clothes of the Abbotts, one can also detect a combination of the English with the Ottoman style of dress, and an effort to represent a stylish and wealthy way of life. Sarah Abbott's wardrobe contained 45 dresses, made of Indian cotton, muslin, black lace, satin and English silk. There were also 55 '*vraks*' (Ottoman underwear) made of different materials and 63 silk and cotton blouses. There were also 161 pairs of cotton socks and 131 pairs of silk and cotton stockings 'from England' piled in various drawers.[32] Given the quantities, the question arises whether all of them were for personal use or some were for sale. Some 14 precious belts made of satin, cotton, silk and muslin, embroidered with golden threads and silk and decorated with flowers, were kept in trunks and closets together with 21 *anteri* – tunics worn as undergarments – and six lavish jackets made of black velvet with silk, satin, and green velvet linings, piping and fringes. The heavily adorned garments partly explain the existence of such a great variety of sewing materials and trimmings, such as buttons, buckles, bow ties and borders made from silk and satin piled in baskets and kept in various rooms of the house.

The great emphasis by the members of the ascending middle class

in the eighteenth century on elegant and fashionable attire and the excessive decoration of their garments has been pointed out by historians; in fact it has been calculated that one fourth of the annual expenditure of the merchant families of the British middle class went on clothing.[33] The value of these clothes increased when they were decorated with precious borders, trimmings and accessories that were very popular and fashionable. These were usually manufactured in Birmingham. An eighteenth-century receipt for the purchase of similar products lists eight different types of shirt buttons, 14 types of gilded buttons upholstered with cloth, iron and horn and seven different types of buckles.[34]

Over 20 precious furs of ermine and zibeline were stored in closets; they had linings made of black, green and light-blue satin and were decorated with piping, golden embroidery, flowers and lace. It is probable that some of these furs were intended for the market or for some special clients. As a powerful symbol of wealth and social status in Ottoman society, furs were an extremely valuable and sought-after item that were traded by European and Russian merchants in the Ottoman markets.

Images from a Merchant's Everyday Life

The objects inside the household of this British merchant in Salonica served everyday needs and at the same time had a symbolic and expressive role. The possession of these objects revealed Abbott's economic standing and social status. The arrangement and the use of these objects within the domestic space revealed the habits and activities of everyday life, relations and behaviour. Along with the decoration, they provide an indication of his intense social and business life and a measure of his wealth. Like many British merchants who were established in the Levant around the same time, Abbott had created an extended network of social and professional contacts comprising members of the British, Austrian, French, Swedish and Venetian merchant communities in Salonica; he collaborated and had family connections with many Ottoman subjects, particularly Greeks and Jews. His strategic business choices showed that he was keen to maintain close contact with those power centres that could enhance his social status and promote his business. This was also a standard choice by many members of the Levant Company operating in the Ottoman Empire. His application to be enrolled as a company freeman, to attain and keep various offices in the local British consulate and at the same time represent the interests of the Venetian and Swedish merchant communities in the city, prove his lust for

power and titles. The pieces of jewellery listed in the inventory, together with many silver and golden items of great value, offer additional proof for the Abbotts' tendency to cultivate their public image and exhibit their wealth. Apart from the lavish clothes already mentioned, the jewels and personal belongings of Sarah Abbott depict the profile of an eighteenth-century European aristocrat. Sarah Abbott's jewels were extremely valuable and elaborate: precious stones, emeralds, rubies, diamonds and brilliants were bound with gold, silver and platinum in rings, brooches, earrings, necklaces and pendants. These jewels were apparently only some of her initial collection, since it is likely that some invaluable pieces had been offered to her daughters and daughters-in-law. Of major interest are the five diadems, listed in the inventory and described in detail, all made with large pearls and amber. None of Bartholomew Edward Abbot's jewellery appears to have been recorded in the inventory. However, another list of objects, found in the possession of his son George Frederic, mentions a family ring: an old cameo ring decorated with brilliants on gold and belonging to the head of the family. There was also a golden pocket watch engraved with the family coat of arms.[35] The same coat of arms hung in the reception hall and confirmed the family's social status and geographical provenance. Inside the house there were other objects and symbols revealing Abbott's identity, his dedication to people, ideas and nations. Behind his office desk hung the gilded British royal coat of arms, two wooden Swedish coats of arms and three Swedish flags; Abbott had been nominated vice-consul of that country. Also in the reception hall were a number of paintings manifesting Abbott's dedication to Britain: a painting of Lord Admiral Nelson, another one depicting the visit of the Ottoman ambassador to King George III and a third presenting the defeat of Spain and France at Gibraltar. Abbott's local connections were represented in the portrait of Madame vs. Choch, of the vs. Choch family residing in Salonica. The portrait had a gilded frame decorated with pearls. Abbott was close friends with and a business associate of the consul of Austria in Salonica, Count Joseph vs. Choch, and his son Peter.

The objects inside Abbott's office are indicative of some aspects of the everyday business transactions of merchants during this period; they point to his specialised knowledge and an awareness of the latest developments and sophisticated habits; they also indicate the widespread and fashionable model of civility, good manners, professional and encyclopaedic knowledge that influenced the behaviour and the everyday habits of eighteenth-century merchants.[36] The library located in this room contained more than 300 books and journals (also 46 issues of *The Lady's Magazine*). There were also books

on commerce, reference books, account books and registers. There was a large book containing the capitulations signed by Elizabeth I and Sultan Murad in 1580, together with arithmetic books, mathematical instruments and binoculars. The cheques were all kept in a drawer. The office had a safe. On Abbott's office desk there were boxes with samples of the silk, cotton, different kinds of yarn and buttons he dealt in. On the floor there were cases and boxes containing various merchandise. There were many pipes, other smoking instruments, and a liqueur set of small glasses, while various pistols and swords hung on the walls. The office was evidently a place for encounter and conversation for the male visitors in the house. It was also Abbott's shelter where he found privacy and relaxation. One year after Abbott's death, one could still find in his office his slippers, a pair of broken glasses and various containers with drugs and painkillers, among them the very popular theriaki (opium). Inside the office there was also a large tin pot filled with 'the dust of Dr James'. This entry in the inventory could refer to Dr James Graham, the Scottish doctor who in the eighteenth century became very popular for his inventions and compounds, claiming to provide well-being, relaxation and fertility to the members of the British upper classes.[37]

Abbott's leisure time comprised all the recreational, entertainment and sporting activities that are associated with the lifestyle of affluent eighteenth- and nineteenth-century merchants: reading books, smoking, playing cards, fencing, collecting medals and works of art, attending theatrical plays and musical concerts, hunting, horse riding, countryside picnics and travelling in his carriage.[38] Checkers, chess and bouillotte were the games played in the house. Smoking and drinking during conversations and listening to music performed by members of the family were probably other pastimes. The inventory lists precious tobacco boxes and others made of paper (also a box with 19 small paper boxes containing tobacco – the Abbotts traded tobacco from Salonica to Europe), various pipes made of precious materials and amber, a *narghile*, and tobacco purses made of silk and lace.

Some of the objects Abbott used in these activities were listed in a second inventory of valuable and elaborate items he had left to his son after his death. George Frederic had inherited from his father his lavish harnesses, silver stirrups, silver bridles decorated with silk ribbons and a leather saddle for his horse; also an important collection of silver and golden coins, swords and a '*chantzar*' with gilded and silver-plated grips decorated with precious stones. Abbott also had 'two pairs of pistols, double barrelled, manufactured in France, another one barrelled firearm, a pair of pistols made from brass and three more firearms'; some of them were used in hunting and some

others were kept for personal safety.[39]

The inventory of the movable property found in the Abbott mansion in Salonica and the documents attached to it reveal the way of life of a Levantine merchant of British origin who lived and operated in the Ottoman Empire in the eighteenth century. The document offers a view of the everyday life of a Levant Company freeman and provides information on the management of his personal time and space. Business played a leading part in the life of the merchants, and the inventory portrays Abbott's public image and individual style of doing business. They both reflected his complex strategy of adjusting to the requirements of a profitable business and an accomplished social life. Like many other British merchants pursuing a career in the Levant during this period, Abbott adjusted his business to new modern trends, moved comfortably along a thin line between compliance and irregularity, and combined different roles and identities in the public sphere enlarging his business and social circle; he finally successfully merged a cosmopolitan attitude with the ways and life style of a member of an ascending bourgeois class of European merchant entrepreneurs.

EPILOGUE

On 27 April 1814, the British ambassador in Constantinople, Robert Liston, sent a letter to the Levant Company's consul general in Constantinople, Isaac Morier, in which he presented his opinion of a dispute that had arisen between the local Armenian corporation of muslin dealers and Jews involved in buying and selling British muslins in the Constantinople market. On the occasion, he rejected Morier's request that he intervene with the Ottoman Porte in order to resolve the affair. Concluding his letter, Liston made two important remarks. The first clarified his position on how far the Levant Company's interests and pursuits could determine British foreign policy and bilateral relations. The second remark presaged future developments concerning British mercantile enterprise and foreign trade.

'In the first place it appears,' Liston pointed out, 'that the privileges claimed by the Armenian merchants cannot be said to be perfect innovation … I have not been able to make myself as much master of the subject as I could have wished, but the principals as far at least as respects the situation and the number of the shops, was acted upon many years ago.' The Armenians were claiming the exclusive privilege to buy and sell muslin in the Ottoman market and had turned against the Jewish shopkeepers who, until then, had bought and sold British muslin in their shops. Liston informed Morier that the *reis efendi*, the Ottoman foreign minister, had assured him that everything would be settled in a few days and a compromise would be found between the Armenian merchants and the Jews representing British interests. He was wary, therefore, 'of the propriety of pressing the conclusion of the business, by insisting upon a categorical answer with regard to our unlimited right of selling our manufactures. I am on the whole therefore of the opinion that we ought to have a little more patience and that I should not be justified in doing what seems to be expected of me.' Liston's letter reflected his disinclination to intervene in an internal matter and be identified in the eyes of his Ottoman counterparts with the company's cause. Long before the formal separation, in the early nineteenth century, of the embassy's political–diplomatic responsibilities from the Levant Company's activities, the British embassy had begun to detach itself from the company's interests; the subordination of the consul general to the British

ambassador and the recognition of the latter as the only British official who could directly intervene with the Ottoman government was another blow to the company's authority. From the beginning of the nineteenth century, the increasing involvement of the British government – the Board of Trade and the Foreign Office mostly – in the company's affairs was combined with regular encroachment into the company's authority when planning and presenting important bills on tariff policy, navigation, manufacture and foreign trade.

Liston's reluctance was therefore a precursor of the British government's decision in the 1820s that foreign affairs and foreign trade should be planned, coordinated, executed and financed by the State. This realisation on the part of the political establishment reflected the persistent appeals from a section of British society that called for freedom of trade; as president of the Board of Trade, William Huskisson coordinated all the political manoeuvres that ended in the company's dissolution in 1825.

Liston's second observation concerned the Levant Company's excessive requirements and contradictions; while the company defied the monopoly privileges claimed by the Armenian muslin dealers, it operated as a monopoly by representing the interests of an association of merchants. According to Liston, the *reis efendi* was not 'uninformed of the existence of certain usages and certain establishments in different countries of Europe and particularly in our own, which give a species of sanction to the system of monopoly we complain at'. 'Indeed,' Liston argued,

> I have already been made to feel this in the discussions I have had upon the subject and I am not without apprehensions that were I to urge the general question in too peremptory a tone, I might be told that as the subjects of the Powers to whom Great Britain has by treaty stipulated general freedom of commerce, do not pretend to interfere with the monopoly of the East India Company or to set up shops in the city of London, so the general promises made to us in the capitulations of perfect liberty of trade in the Turkish Dominions, do not authorise us to demand the abolition of internal regulations of long standing to which the natural born subjects of the Porte submit without inconscience and that upon the whole they are determined that things shall remain precisely as they are.

Liston's argument underlined the importance of reciprocity and equality in foreign trade, notions that contrasted sharply with the Levant Company's founding principle to ensure exclusive treatment for

its members by the Ottoman authorities and special conditions for trading against other foreign communities and the native population. It therefore presaged future developments such as Huskisson's reform of the navigation acts, which gave other nations full equality and reciprocity in shipping, the delegation of the Levant Company's authority to the State and the reduction of import duties on foreign goods. Liston's second observation was a pointed comment on the contradictions and inconsistencies between the company's principles, strategy and practices at a corporate and individual level, a clear sign of its going through a transitional period during which it would have to counterbalance history with reality.

This book examines the last, transitional period of the company's history, a period that began with a falling off in business, a situation that was overturned during the Napoleonic wars when British foreign trade entered a period of prosperity. This prosperity was accompanied by industrial growth at home and military success internationally. For the Levant Company, the final chapter in its 250-year history was one of maturity and awakening, change and introspection, great effort and acquiescence. The protracted period of war that lasted until 1815 overturned trading and transport conditions in the Levant and had many unexpected consequences for the company and its members.

The number of British merchants applying for membership increased steadily throughout that period. The newcomers were lured by quick profits and opportunities for speculation arising from a risky and competitive business environment. The company's system of representation in the Levant offered them protection and support; membership guaranteed trading in ‘anticipated conditions’, as Ralph Davis put it. During this period the company's factories – representations in the Levant organised around consuls and other company employees recruited from among its members – developed a distinctive profile that responded to local challenges and market conditions. In Constantinople, Smyrna, Aleppo, Salonica, Larnaca, Alexandria and Patras, the company's officers had to confront different situations, described in official correspondence with the company's administration in London. Instructions arrived from London regularly and, despite delays, the company's communications system kept the administration in tune with developments. The pursuit of profit and power triggered disputes and clashes among factory officers and between officers representing different factories. These incidents confirmed that individual interests took priority over corporate identity and performance. And yet when the company had to defend itself against violations of its privileges, fraud and criticism, its officers and members in London and in the Levant demonstrated a

considerable degree of solidarity and cooperated in the common cause. War exposed the company's deficiencies at an organisational and strategic level. Despite implementing important reforms since the 1740s, the Levant Company once again had to review its organisation in order to adapt to new circumstances. Corporate and individual strategies helped the company and its members overcome the crisis, by releasing enterprise from major impediments, permitting free partnership and indirect trade, and the employment of foreign ships. Structural and organisational changes boosted performance as they allowed British merchants to circumvent enemy blockades, severe competition and piracy. At the same time, they opened the company up to foreign partners who gradually undertook British trade as individual merchants and contributed to its expansion after 1830s. The indirect trade of Levantine goods, the employment of foreign ships and collaboration with foreigners, mostly Ottoman subjects of Greek, Armenian and Jewish origin, provided company members with a large spectrum of opportunities and introduced them to free market conditions. By participating in transaction systems that developed locally and internationally, but outside the company's jurisdiction, company members built relations of dependency, trust, sociability, collaboration and solidarity that cut through national, social and ethnic differences and reinforced their connection with local society. After 1815, when peace was restored, those British merchants who had adopted strategies that combined compliance with and deviation from the company's rules found it impossible to return to previous closed trading practices, despite the company's efforts to impose its regulations. The return of peace in 1815 presented the company administration with another challenge. The protectionist policies adopted by the British government in agriculture, manufacture and trade involved the enactment of a series of new legislations that hindered imports. The company defended its rights, but at the same time it sought to build bridges with government officials of all ranks and convince politicians and society of its national character and valuable contribution to the nation. The company's bylaws were reviewed several times to counterbalance the government's tariff, trade and navigation policies. Gradually, the company's control mechanisms were relaxed and the Levant officers were allowed a greater margin of freedom to manage the everyday administration of the factories.

In the last 30 years of its history, the Levant Company underwent changes that dramatically influenced its identity, organisation and strategy. Its corporate identity languished as the diversity of local market conditions turned each factory into a local cluster of individual interests operating more as a semi-autonomous institution and less as

an instrument of corporate strategy. The free and complex entrepreneurial tactics adopted by company members did not allow for the development of a single company business network, but led to British traders participating in many overlapping trading systems comprising members and non-members. Monopoly regulations were abandoned under the pressure of war, and foreigners, mostly Ottoman subjects of Greek, Jewish or Armenian background, were allowed into the company as partners. Towards the end, the company sought to champion its national role and contribution to the advancement of bilateral relations to replace the image of an exclusive monopoly of merchants. Hence, when George Canning, the foreign secretary, informed the company's secretary George Liddell about a plan to place all British consuls throughout the world ‘under one general system of regulation’, the company's administration could not but declare its support in this important national project. Soon it was required to transfer ‘the appointment and control of the consuls in Turkey to H.M. Government’. The company's administration and members were assured by the Foreign Office that this measure had been decided out of political and national expediency and not ‘from any inclination’ on the government's part ‘to invade the company's privilege or to manifest any disapprobation of its management of the trust reposed in it’.

The ending of this grand chartered company came about as part of wider moves to promote the more rational administration of the country's foreign affairs. In 1825, a draft bill prepared by the Board of Trade concerning the Levant Company was presented to the general court, which approved it unanimously. The bill was signed by the president of the board, William Huskisson. The company's governor, Lord Grenville, collaborated with Huskisson in the preparation of a bill that delegated the company's authority and assets to the State. He also gave the bill fervent support at the general court.[1] Grenville had also instructed the company's secretary, George Liddell, to request the Foreign Office to present to the King the company's petition for its charter to be surrendered. Following royal acceptance, a final meeting of the general court was held to execute the deed of surrender. On 19 May 1825, when the company's administration signed the deed of surrender, all the company's charters, surplus funds and other effects passed to the King. The same day, a statement concerning the company's property was presented to the Treasury.[2] According to the Huskisson Bill, which at the time was passing through parliament, this property would be placed at the disposal of the Treasury. In 1825, the company's property consisted of £60,000 in a Bank of England account, in the name of the governor and the company, at 3 per cent reduced annuities.[3] Another £10,279 1 s. 1 d. was held in the account

of the company's treasurer, John Theophilus Daubuz. In Smyrna, the consular house, chapel, chaplain's residence and hospital for the reception of sick seamen also belonged to the company. The Bank of England also held a sum of £3,400, at 3 per cent consolidated annuities, in the name of the governor and the company. This was the remainder of a fund accumulated over the years by company members for the 'Redemption of English Captives from Turkish Slavery'. Finally the sum of £1,089 3 d. was held by the company's secretary, George Liddell, in order to pay for various company expenses and accounts in London. According to the bill, the company's debts would be paid off by the Treasury, which would have to reimburse the bills drawn by the company's treasurer in the Ottoman Empire on the company's treasurer in London; it would have also to compensate the custom collectors who collected the company's duties in the United Kingdom.[4] In the meantime, the company had stopped levying duties in the United Kingdom in January 1825 and in 'Turkey and Egypt' two months later.[5] Any duties already paid on goods that were in storage were reimbursed to their proprietors in the following months. As regards the reimbursement of the company's collectors in United Kingdom, the deputy governor, Jacob Bosanquet, asked the Treasury secretary, Stephen Rumbold Lushington, that they be compensated for the loss of their positions.[6] In particular, the company sought compensation for J.A. De Reimer, the company's principal collector of duties in London; De Reimer was also the man who coordinated the collection of duties from all the outports and was in contact with the various collectors.

One of the last tasks of the company's administration in London was to inform its consuls in the Levant of the surrender of its charter. Separate letters were sent to Consul General John Cartwright in Constantinople, Consul Francis Werry in Smyrna, Consul John Barker in Aleppo and Consul General Henry Salt in Alexandria. Copies of the Barker letter were sent to Smyrna Vice-consul Nathaniel William Werry, Consul Francis Charnaud in Salonica, Consul Peter Emmanuel Duveluz in Adrianople, Consul Peter Abbott in Acre, Consul Philip James Green in Patras, Antonio Vondiziano in Cyprus and Stephen Paulovitch in the Dardanelles.[7] The deputy governor informed the company's consuls and agents that from that day, 19 May 1825, the company's authority had been transferred to the Crown. It referred to George Canning's earlier letter informing the company of the government's willingness to assume the authority to represent the country in the Levant. Bosanquet repeated to the consuls that the surrender of the charter was accompanied by the relief of trade from the duties and consulage which the company had charged on it 'for the proper support of the Establishment'. Cartwright was offered £300

by the company for ‘the purchase of Plate which we desire you will accept as a Testimonial of our perfect approbation of your official conduct throughout the whole of our connection’. Expressing its gratitude for his zeal and ability, the company offered £200 to Werry for the same purpose. Similar praise – but no gifts – were extended to Barker and the other consuls and agents. The letters were signed by Bosanquet, the deputy governor, and the following merchants: Josiah Rees, Edward Lee, John P. Boddington, William Tomlinson, Niven Kerr, William Brydon, Ebenezer Briggs, William Maltass, Edward Lee junior and I. Blunt.

On 20 May 1825, a day after the company's dissolution, George Liddell addressed Joseph Planta, permanent secretary for foreign affairs, at the Foreign Office and handed him a number of letters signed the previous day by the general court at its last sitting.[8] The documents concerned the conduct and the qualities of Nathaniel William Werry, Francis Werry's son, who for some years had been treasurer and vice-consul at Smyrna. The young Werry had wished to continue his diplomatic career in Smyrna, by assuming his father's position at some point. Now Liddell, expressing the good will of the general court towards Nathaniel, recommended him to the Foreign Office, attaching to his letter the positive opinions of the resident factors at Smyrna who had the opportunity to observe Nathaniel during his office. This recommendation letter – Liddell's last act as the company's representative, even though he was no longer vested with any authority – was a final testimonial to the company's practices, where the distribution of offices in the Levant was determined by family connections and recommendations from powerful friends; it reflected the endurance of the company's internal power mechanisms up to the end and the will of a part of its membership to build bridges with the succeeding establishment. In the meantime dramatic changes in the organisation of international trade, the structure and techniques of commercial enterprise had already introduced its members to a new corporate era.

NOTES

Introduction

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Chapter 1 The Foundation of a Chartered Company

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2. Van den Boogert, Maurits H., *The Capitulations and the Ottoman Legal System: Qadis, Consuls and Beratlis in the 18th Century* (Leiden, 2005).

3. Skilliter, S.A., *William Harborne and the Trade with Turkey, 1578–1582: a Documentary Study of the First Anglo–Ottoman Relations* (Oxford, 1977), pp. 86–9. See also Macpherson, David, *Annals of Commerce... Containing... Mr. Anderson's History of Commerce from 1492 to the End of Reign of George III*, vol II (London, 1805), p. 165.

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5. Lipson: *Economic History*, II, p. 337.

6. Skilliter: *William Harborne*, pp. 199–200.

7. Faroqhi, Suraiya N., 'Crisis and change, 1590–1699', in I. Halil and D. Quataert (eds), *An Economic and Social History of the Ottoman Empire, 1600–1914*, vol. II (Cambridge, 2006, 6th ed.), p. 479, where she mentions that the Ottoman economic region in the sixteenth and seventeenth centuries possessed three main commercial centers: Istanbul (Constantinople), Aleppo and Cairo.

8. Wood: *Levant Company*, p. 15.

9. Wood: *Levant Company*, pp. 18–20; Lipson: *Economic History*, II, pp. 337–8.

10. Lipson: *Economic History*, II, p. 338.

11. Wood: *Levant Company*, pp. 40–1.

12. Croft, Pauline, 'Free trade and the House of Commons, 1606–1606', *Economic History Review* xxviii/1 (1975), pp. 17–27.

13. Lipson: *Economic History*, II, pp. 340–1.

14. Gennadius Library [Manuscript copy of the royal charter issued to the 'Company of Merchants of England, trading into the Levant Seas' by Charles II, 2 April 1661, renewing the rights granted by James I in 1605 and adding some new clauses] by John Spencer Smith, [S.I.: s.n., s.a.], Gennadeion, MSS 77. From now on GL: Charter 1661.

15. Lipson: *Economic History*, III, p. 85.

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19. Lipson: *Economic History*, II, p. 186.

20. Wood, *Levant Company*, pp. 6–8.

21. Faroqhi: 'Crisis and change', pp. 520–3.

22. Lipson: *Economic History*, II, pp. 186–9.

23. Walsh, Robert, *Account of the Levant Company with Some*

Notices of the Benefits Conferred upon Society by its Officers (London, 1825).

24. Walsh: *Account of the Levant Company*, p. 5.

25. Walsh: *Account of the Levant Company*, p. 6.

26. At a provincial level the implementation of the capitulations was not that self-evident, see Goffman, Daniel, 'The capitulations and the question of authority in Levantine trade, 1600–1650', *Journal of Turkish Studies* X (1986), pp. 155–61.

27. In 1621, a temporary committee was established by the Privy Council that would evolve into the Board of Trade. Over time, the members of this body were known as the Lords of Trade or Lords of Trade and Plantations. In its correspondence, the company often referred to the Privy Council when dealing with the early manifestations of the Board of Trade. To avoid any confusion between what are now two distinct bodies of the British government, this work uses the term Board of Trade when this was the body being referred to.

28. Wood: *Levant Company*, p. 161.

29. GL: Charter 1661.

30. GL: Charter 1661.

31. Goffman: *Britons*, pp. 137–43.

32. Goffman: *Britons*, pp. 137–8.

33. Ingram, Edward and Allan Cunningham (eds), *Anglo–Ottoman Encounters in the Age of Revolution. Allan Cunningham. Collected Essays*, vol. I (London, 1993), p. 56.

34. Wood: *Levant Company*, pp. 132–4; Goffman: *Britons*, pp. 137–8.

35. Lipson: *Economic History*, II, pp. 342–3; Goffman: *Britons*, pp. 137–43.

36. Goffman: *Britons*, pp. 137–8.

37. Wood: *Levant Company*, pp. 136–40; Davis, Ralph, *Aleppo and Devonshire Square* (London, 1999, 2nd ed.), pp. 49–51.

38. Gennadius Library, *The Turkey merchants and their trade vindicated from the aspersions and unjust reproaches cast on them: in several cases and pamphlets published in the names of the Italian merchants / by a merchant* (London: s.n., 1720), p. 43, henceforth GL: *The Turkey Merchants*. Also "The case fairly stated between the Turkey Company and the Italian merchants", Bodleian Pamphlets 362.

39. GL: *The Turkey Merchants*, p. 45.

40. GL: *The Turkey Merchants*, p. 29.

41. Davis: *Aleppo*, p. 50; Lipson: *Economic History*, II, p. 351.

42. Ingram: *Anglo–Ottoman Encounters*, p. 71.

43. Wood: *The Levant Company*, p. 186.

44. Wood: *Levant Company*, pp. 127–8.

45. Lipson: *Economic History*, II, p. 338–9.

46. Lipson: *Economic History*, II, p. 338.

47. Lipson: *Economic History*, II, p. 339.

48. Wood: *Levant Company*, pp. 120–1; Lipson: *Economic History*, II, p. 340.

49. Fusaro, Maria, *Uva Passa: Una Guerra Commerciale tra Venezia e l'Inghilterra, 1540–1640* (Venice, 1996). See also Fusaro, Maria, 'Cooperating mercantile networks in the early modern Mediterranean', *Economic History Review* lxv/2 (2012), pp. 701–18.

50. Bisson, Douglas R., *The Merchant Adventurers of England: The Company and the Crown, 1474–1564* (Delaware, DE, 1993); Lipson: *Economic History*, I, pp. 490–1.

51. Chaudhuri, Kirti N., *The English East India Company: The Study of an Early Joint Stock Company, 1600–1640* (New York, NY, 1965); Carlos, Ann M., 'Agency problems in early chartered companies: the case of the Hudson's Bay Company', *Journal of Economic History* i/4 (1990), pp. 853–75; Carlos, Ann M., 'Agent opportunism and the role of company culture: the Hudson's Bay Company and the Royal African Company compared', *Business and Economic History* ii/20 (1991), pp. 142–51.

52. Walsh: *Account of the Levant Company*, pp. 6–7.

53. GL: *The Turkey Merchants,* pp. 44–5.

54. Wood: *Levant Company*, pp. 127–8.

55. Vlami, Despina, 'Corporate identity and entrepreneurial initiative: the Levant Company in the eighteenth and nineteenth centuries', *Journal of European Economic History* i/39 (2010), pp. 67–99.

56. Lipson: *Economic History*, II, pp. 214, 216.

57. Wood: *Levant Company*, pp. 205–13.

58. Anderson, Sonia, *An English Consul in Turkey: Paul Rycaut at Smyrna* (Oxford, 1989), pp. 117–30.

59. Wood: *Levant Company*, p. 95.

60. Van den Boogert: *The Capitulations*, pp. 25–6.

61. Anderson: *Paul Rycaut*, pp. 122–4.

62. Lipson: *Economic History*, II, p. 249.

63. Mentz, Søren, *The English Gentleman Merchant at Work: Madras and the City of London, 1660–1740* (Copenhagen, 2005), pp. 68–70; Lipson: *Economic History*, II, p. 191. See also Bowen, Hough V., *Elites, Enterprises and the Making of the British Overseas Empire, 1688–1775* (London, 1996).

64. Lipson: *Economic History*, II, p. 252.

65. Wood: *Levant Company*, pp. 156–7.

66. Lipson: *Economic History*, ii, p. 244.

67. Wood: *Levant Company*, p. 153.

68. Wood: *Levant Company*, p. 153; Lipson: *Economic History*, II, p. 249.

69. Davis: *Aleppo,* p. 67–8; Wood: *Levant Company*, p. 157.

70. Lipson: *Economic History*, ii, pp. 216–17.

71. Wood: *Levant Company*, pp. 20–1; Lipson*: Economic History*, II, p. 341.

72. GL: Charter 1661.

73. In England Lady's Day was New Year's Day up to 1752 when, following the move from the Julian to the Gregorian calendar, 1 January became the start of the year.

74. Davis: *Aleppo*, pp. 66–7.

75. Wood: *Levant Company*, p. 215; Lipson, *Economic History*, II, p. 341.

76. GL: 1661 charter.

77. Davis: *Aleppo*, pp. 67–74.

78. Frangakis-Syrett, Elena, 'Networks of friendship, networks of kinship: eighteenth century Levant Merchants', *Eurasian Studies* i/2 (2002), pp. 183–205.

79. Vlami, Despina, 'Entrepreneurship and relational capital in a Levantine context: Bartholomew Edward Abbott, the "father of the Levant Company" in Thessaloniki (eighteenth–nineteenth centuries)', *Historical Review/La Revue Historique* vi (2009), pp. 137–150.

80. Wood: *Levant Company*, pp. 155–7.

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82. Davis: *Aleppo*, p. 67.

Chapter 2 A ‘Body Corporate and Politick’: The Levant Company's Organisation

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2. GL: Charter 1661.

3. GL: Charter 1661.

4. Davis, Ralph, *Aleppo and Devonshire Square: English Traders in the Levant in the Eighteenth Century* (London, 1967), pp. 205–28.

5. Wood, Alfred C., *A History of the Levant Company* (London, 2006, 3rd ed.), pp. 218–21.

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7. Davis: *Aleppo,* p. 46.

8. Davis: *Aleppo*, p. 46–7.

9. Wood: *Levant Company*, p. 221. In the company's bylaws, chancellors were referred to as cancelliers and the chancelleries as cancelleria. These terms were also utilised in everyday practice by merchants and officers in the Levant.

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13. Wood: *Levant Company*, p. 219.

14. Wood: *Levant Company*, pp. 18–20.

15. GL: Charter 1661.

16. Wood: *Levant Company*, p. 15.

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19. Anderson, Sonia P., *An English Consul in Turkey: Paul Rycaut at*

Smyrna, 1667–1678 (Oxford, 1989); Frangakis-Syrett: *The Commerce of Smyrna*; Faroqhi, Suraiya N., 'Crisis and change, 1590–1699', in I. Halil and D. Quataert (eds), *An Economic and Social History of the Ottoman Empire, 1600–1914*, vol. II, pp. 499–502, 505–6.

20. Wood: *Levant Company*, pp. 70–1.

21. Vlami, Despina, 'Corporate identity and entrepreneurial initiative: the Levant Company in the eighteenth and nineteenth centuries', *Journal of European Economic History* i/39 (2010), p. 75, Wood: *Levant Company*, p. 127.

22. Wood: *Levant Company*, pp. 127–8.

23. Slot, Ben J., 'Ο Δημήτριος Κουρμούλης και το διεθνές εμπόριο των Ελλήνων κατά τα έτη 1770-1784', *Μνημοσύνη* v (1974–1975), pp. 115–49. Kremmydas, Vasilis, *Ελληνική Ναυτιλία 1776–1835, τ.1* Όψεις της *Μεσογειακής Ναυσιπλοΐας* (Athens, 1985), pp. 93–104.

24. Wood: *Levant Company*, pp. 122–3, 164, 196, 213.

25. Wood: *Levant Company*, pp. 163–4. Luke, Harry Charles, *Cyprus under the Turks, 1571–1878: A Record Based on the Archives of the English Consulate in Cyprus under the Levant Company and After* (Oxford, 1921).

26. Vlami, Despina, 'Βετανικό εμπόριο και διπλωματία στην ανατολική Μεσόγειο. Η Levant Company στη Θεσσαλονίκη, 1792–1825', *Μεσαιωνικά και Νέα Ελληνικά* ix (2008), pp. 143–267.

27. Wood: *Levant Company*, pp. 123–5, 164.

28. Wood: *Levant Company*, pp. 122–3, 196–7.

29. *The Levant Company's Orders and By-laws, 1800* (London, 2010).

30. Wood: *Levant Company,* p. 216. Under its charters, the company had extensive disciplinary powers.

31. Lipson: *Economic History*, II, p. 351.

32. Eldem, Edhem, 'Capitulations and western trade', in S.N. Faroqhi (ed.), *The Cambridge History of Turkey; Vol. III, The later Ottoman Empire, 1603–1839* (Cambridge, 2006), pp. 308–11.

33. Davis: *Aleppo*, pp. 32–5, 69, 77–8.

34. Anderson: *Paul Rycaut*, pp. 130–52, and Wood: *Levant Company*, pp. 136–8.

35. Wood: *Levant Company*, pp. 136–8.

36. Smith, Adam, *The Wealth of Nations* (London, 1953), p. 224.

37. Wood: *The Levant Company*, p. 136.

38. GL: *The Turkey Merchants*, p. 47.

39. GL: *The Turkey Merchants*, p. 48.

40. Vlami, Despina and Ikaros Mandouvalos, 'Entrepreneurial forms and processes inside a multiethnic pre-capitalist environment: Greek and British enterprises in the Levant', *Business History* lv/1 (2013), pp. 9–11.

41. Vlami: 'Βρετανικό εμπόριο', p. 180; Vlami and Mandouvalos: 'Entrepreneurial forms', p. 9.

42. Ralph Davis' work on Aleppo has been almost entirely based on material provided by private business archives. Davis utilised the letters exchanged between London merchants and their factors in various Levant cities together with invoices and accounts from the business archives of individual merchants, among them the Radcliffes and the Bosanquets, see Davis, Ralph, *Aleppo and Devonshire Square: English Traders in the Levant in the Eighteenth Century* (London, 1967).

Chapter 3 Later Years: Corporate Organisation, Individual Interests and National Identity

1. Davis, Ralph, *Aleppo and Devonshire Square: English Traders in the Levant in the Eighteenth Century* (London, 1967), p. 51.

2. Wood, Alfred C., *A History of the Levant Company* (London, 2003, 3rd ed.), p. 157.

3. The National Archives of UK [TNA], State Papers [SP] 105/123, p. 450, 5 September 1815, Henry T. Liddell (London) to William Hautenville (Dublin).

4. SP 105/133, f. 332r–335r, 17 January 1813, British factory (Constantinople) to Isaac Morier (Constantinople).

5. SP 105/135, f. 275r–277r, 27 May 1818, Proceedings of a factory assembly (Constantinople).

6. SP 105/137, f. 32r–33v, 31 September 1819, Proceedings of a factory assembly (Constantinople).

7. Clogg, Richard, 'The Smyrna 'rebellion' of 1797: some documents from the British archives', Δελτίο *Κέντρου Μικρασιατικών Σπουδών* iii (1982), pp. 71–126; Frangakis-Syrett, Elena, *The Commerce of Smyrna in the Eighteenth Century,* 1700–1820 (Athens, 1992), p. 57.

8. SP 105/126, f. 182r, 15 March 1798, British factory (Smyrna)

to the Levant Company (London).

9. SP 105/135, f. 145r–145v, 16 August 1815, British factory (Smyrna) to the Levant Company (London).

10. SP 105/135, f. 444r–446, 17 October 1816, Memorial of the factory.

11. SP 105/136, f. 290r–294r, 29 January 1818, Smyrna Merchants and factors (Smyrna) to the Levant Company (London).

12. SP 105/137, f. 81r–86r, 29 July 1819, Report of a committee of British merchants appointed to consider the revision of the tariff addressing the assembly of merchants in Smyrna.

13. Until the enactment of the Naturalisation Act in 1844, the method of securing naturalised citizenship was by sponsoring a private act of parliament – a procedure available only to the wealthy. Another expensive procedure was to apply for 'denization' by securing a patent from the Crown to become an English subject. See Drewery, Gavin, 'United Kingdom: the administrative history of population migration, 1800 to the present', in P.E. Arnold (ed.), *National Approaches to the Administration of International Migration* (Amsterdam, 2010), pp. 168–85.

14. SP 105/123, pp. 148–9, 24 August 1808, George Liddell (London) to John Smallwood (Liverpool).

15. As the company's membership fee had been just £20 since 1753, it is curious that the British merchants advance to the company £44 6 s.

16. SP 105/123, p. 193, 8 January 1810, George Liddell (London) to M.S. Salomon (London).

17. SP 105/124, pp. 141–2, 21 May 1818, J. Bosanquet (London) to Lord Grenville (London).

18. Drewry: 'United Kingdom', p. 176. From the late eighteenth century, the credentials of those seeking naturalisation were investigated by the Aliens Office. On the British policy towards aliens who sought naturalisation and their deportations, see Dinwiddy, J.R., *Radicalism and Reform in Britain,1750-1850* (London, 1992), pp. 149–69.

19. SP 105/123, p. 114, 21 October 1807, Circular letter.

20. SP 105/123, pp. 176–7, 4 August 1809, George Liddell (London) to Thomas Ward (Hull).

21. SP 105/124, pp. 341–2, 16 May 1821, George Liddell (London) to Adam Norris (Liverpool).

22. SP 105/123, p. 243, 16 February 1811, George Liddell (London) to Francis Werry (Smyrna) and SP 105/123, pp. 503–4, 18 June 1816, George Liddell (London) to John Cartwright (Patras).

23. SP 105/123, pp. 486–8, 12 March 1816, George Liddell (London) to John Falconar (Leghorn) and SP 105/123, p. 32, 11 April 1806, Thomas Browne (London) to J.F. Iselin (Malta).

24. SP 105/123, p. 33, 10 April 1806, Thomas Browne (London) to John Smallwood (Liverpool).

25. SP 105/123, pp. 141–2, 27 July 1808, George Liddell (London) to Charles Lutwidge (Hull).

26. SP 105/122, p. 401, 29 November 1803, Thomas Browne (London) to Francis Werry (Smyrna).

27. SP 105/124, pp. 167–8, 13 August 1818, Henry T. Liddell (London) to John Cartwright (Constantinople).

28. SP 105/125, pp. 140–2, 8 July 1824, George Liddell (London) to Adam Norris (Liverpool).

29. On the sense of British national identity forged from the eighteenth century on the pillar of European wars, see the renowned work by Linda Colley, *Britons: Forging the Nation, 1707–1837* (USA, 1992); also Robins, Keith, *Nineteenth Century Britain: England, Scotland and Wales; The Making of a Nation* (Oxford, 1989) on the emergence of British national identity and the commitment of the country to achieve national integration from the nineteenth century onwards.

30. SP 105/126, f. 7r, 25 January 1797, John Spencer Smith (Constantinople) to the Levant Company (London). On the political and economic expediency and consequence of the '*berats*' – patents by which a European embassy in the Ottoman Empire conferred protection and special privileges to Ottoman subjects – see Van den Boogert, Maurits H., *The Capitulations and the Ottoman Legal System: Qadis, Consuls and Beratlis in the 18th Century* (Leiden, 2005), pp. 24–6, 63–117.

31. SP 105/126, f. 44r, 10 August 1799, John Spencer Smith (Constantinople) to the Levant Company (London).

32. SP 105/130, f. 87r–91r, 10 October 1805, Isaac Morier (Constantinople) to the Levant Company (London).

33. The Italian term 'nazione' was extensively used in the Mediterranean ports from medieval times. It indicated a merchant community of which members had a comon geographical origin and a common religion. See Vlami, Despina, *Το Φιορίνι, το*

Σιτάρι και η οδός του *Κήπου: Έλληνες Έμποροι στο Λιβόρνο* (Athens, 2000), p. 38.

34. SP 105/133, f. 195r–196r, 26 September 1812, Isaac Morier (Constantinople) to the Levant Company (London).

35. SP 105/123, pp. 271–3, 3 September 1811, George Liddell (London) to Isaac Morier (Constantinople).

36. SP 105/123, pp. 280–2, 15 January 1812, the Levant Company (London) to Isaac Morier (Constantinople).

37. SP 105/123, p. 310, 14 October 1812, George Liddell (London) to the Lords of the Committee of HM Privy Council (London), the formal title of the Board of Trade.

38. SP 105/124, pp. 222–224, 3 July 1819, George Liddell (London) to John Littledale (Whitehaven), and SP 105/124, pp. 279–280, 15 August 1820, George Liddell (London) to John Cartwright (Constantinople).

39. SP 105/124, pp. 257–260, 1820, Jacob Bosanquet (London) to Lord Liverpool (London).

40. SP 105/124, pp. 312–315, 29 March 1821, the Levant Company (London) to George Cartwright (Constantinople).

41. SP 105/125, pp. 161–170, 2 September 1824, the Levant Company (London) to Francis Werry (Smyrna).

42. SP 105/139, f. 262r–263v, 24 June 1821, British and Ionian subjects (Salonica) to Francis Charnaud (Salonica).

43. Similar clashes between British officials and merchants over authority in the Levant are described in Goffman, Daniel, *Britons in the Ottoman Empire, 1642–1660* (Washington, WA, 1998), pp. 98–124.

44. SP 105/127, f. 328r–332r, 10 November 1800, John Spencer Smith (Constantinople) to the Levant Company (London). On the life and the controversial personality of Thomas Bruce, 7th earl of Elgin, see Smith, Arthur Hamilton, 'Lord Elgin and his collection', *Journal of Hellenic Studies* xxxvi (1916), pp. 163–372; St. Clair, William, *Lord Elgin and the Marbles* (London, 1998, 3rd ed.). For Pisani, see Cunningham, Allan, 'The dragomans of the British embassy at Constantinople', in A. Cunningham and E. Ingram (eds), *Eastern Questions in the Nineteenth Century* (London, 1993), pp. 3–9.

45. Wood, Alfred C., *A History of the Levant Company* (London, 2003, 3rd ed.), pp. 181–3.

46. SP 105/127, f. 350v–351v, 10 December 1800, John Spencer Smith (Constantinople) to the Levant Company (London).

47. SP 105/127, f. 350v–351v, 10 December 1800, John Spencer Smith (Constantinople) to the Levant Company (London).

48. SP 105/128, f. 44r–44v, 29 May 1801, Lord Elgin (Constantinople) to the Levant Company (London).

49. SP 105/128, f. 28r, May 1801, Lord Elgin (Constantinople) to the Levant Company (London).

50. SP 105/128, f. 16r–18r, 24 March 1801, Lord Elgin (Constantinople) to the Levant Company (London).

51. SP 105/128, f. 167r–168v, 10 April 1802, Thomas Thornton (Constantinople) to the Levant Company (London). Wood: *Levant Company*, p. 183.

52. SP 105/123, p. 196, 20 January 1810, John Green (London) to Jacob Bosanquet (London) and SP 105/123, pp. 205–9, 7 March 1810, the Levant Company (London) to Isaac Morier (Constantinople).

53. SP 105/123, pp. 233–5, 11 October 1810, Jacob Bosanquet (London) to Isaac Morier (Constantinople).

54. SP 105/123, pp. 185–6, 4 October 1809, the Levant Company (London) to Isaac Morier (Constantinople).

55. SP 105/129, f. 333r, 2 June 1804, Francis Werry (Smyrna) to the Levant Company (London) transmitting correspondence from 'Mr. Vitali vice consul of Tino'.

56. SP 105/133, f. 105r–106v, 22 October 1811, Francis Werry (Smyrna) to the Levant Company (London).

57. SP 105/123, pp. 205–9, 7 March 1810, the Levant Company (London) to Isaac Morier (Constantinople).

58. SP 105/133, f. 262r–263r, 30 December 1812, Minutes of the British factory assembly in Smyrna.

59. SP 105/136, f. 96r–96v, 2 September 1817, Francis Werry (Smyrna) to the Levant Company (London).

60. SP 105/122, pp. 259–61, 31 July 1801, the Levant Company (London) to Francis Werry (Smyrna).

61. SP 105/128, f. 101r–102v, Smyrna factory (Smyrna) to the Levant Company (London).

62. SP 105/123, pp. 205–9, 7 March 1810, the Levant Company (London) to Isaac Morier (Constantinople).

63. Wood: *Levant Company*, pp. 185–6.

64. SP 105/122, pp. 496–502, 25 April 1805, the Levant Company (London) to J.P. Morier (Janina [Ioannina], Hepirus [Epirus]).

65. SP 105/130, f. 87r–91r, 10 October 1810, Isaac Morier (Constantinople) to the Levant Company (London).

66. On the extraordinary personality and life of the much feared Vizier of Epirus, see Davenport, Richard Alfred, *The Life of the Ali Pacha of Janina: Vizier of Epirus, surnamed Aslan, or the Lion* (London, 1822).

67. Wood: *Levant Company*, p. 185.

68. Eldem, Edhem, 'Capitulations and western trade', in S.N. Faroqhi (ed.), *The Cambridge History of Turkey: vol. III; The Later Ottoman Empire, 1603–1839* (Cambridge, 2006), pp. 309–10.

69. SP 105/132, f. 248r–249r, 9 July 1810, James Sarell (Constantinople) to Isaac Morier (Constantinople).

70. SP 105/132, f. 249r–249v, 9 July 1810, Isaac Morier (Constantinople) to James Sarell (Constantinople).

71. SP 105/132, f. 249v, 8 July 1810, Bartholomew Pisani (Constantinople) to Isaac Morier (Constantinople).

72. SP 105/123, pp. 470–2, 8 December 1815, George Liddell (London) to Isaac Morier (Constantinople).

73. SP 105/135, f. 236r–237r, 11August 1815, Circular addressed to the consuls of Austria, Holland and Sweden and the vice consuls of Russia, Denmark and Spain.

74. SP 105/123, pp. 470–2, 8 December 1815, George Liddell (London) to Isaac Morier (Constantinople).

75. SP 105/123, pp. 512–14, 30 July 1816, George Liddell (London) to Isaac Morier (Constantinople),

76. SP 105/124, pp. 73–9, 10 July 1817, Company (London) to Isaac Morier (Constantinople).

77. SP 105/133, f. 211r–212v, 26 December 1812, Isaac Morier (Constantinople) to the Levant Company (London).

78. SP 105/134, f. 164r, 27 April 1814, Isaac Morier (Constantinople) to Bartholomew Edward Abbott (Salonica).

79. See below, p. 134.

80. SP 105/137, f. 302r–302v.

81. SP 105/123, f. 197r–198r.

82. SP 105/135, f. 178r–178v, 5 May 1815, Francis Charnaud (Salonica) to George Liddell (London). On the life and activity of the wealthy Greek merchant and other members of the local Greek merchant community, see Hekimoglou, Evangelos, 'Ιωάννης Γούτα Καφταντζιόγλου. Το πρόσωπο μέσα από την εποχή του', Γρηγόριος Παλαμάς 775 (1995), pp. 407-465.

83. SP 105/123, pp. 488–9.

84. SP 105/122, pp. 472–7, 23 November 1804, the Levant Company (London) to Francis Werry (Smyrna).

85. SP 105/129, f. 122r–123v, 2 May, Francis Werry (Smyrna) to the Levant Company (London).

86. SP 105/122, pp. 517–20, 12 July 1805, the Levant Company (London) to Francis Werry (Smyrna).

87. SP 105/133, f. 105r–106v, 22 October 1811, Francis Werry (Smyrna) to the Levant Company (London).

88. SP 105/123, pp. 459–61, 6 October 1815, George Liddell (London) to Francis Werry (Smyrna).

89. SP 105/123, p. 289, 31 January 1812, the Levant Company (London) to Francis Charnaud (Salonica).

90. SP 105/123, pp. 308–9, 1 October 1812, the Levant Company (London) to Francis Charnaud (Salonica).

91. SP 105/123, pp. 445–7, 27 July 1815, George Liddell (London) to Peter Lee (Alexandria).

92. SP 105/124, pp. 128–30, 3 February 1818, George Liddell (London) to Peter Lee (Alexandria). SP 105/123, p. 304, 4 September 1812. In 1812 William Werry, treasurer at the Smyrna factory, took a similar initiative to levy an additional charge on consulage to offset the depreciation of foreign coin.

93. SP 105/124, pp. 128–30, 3 February 1818, George Liddell (London) to Peter Lee (Alexandria).

94. SP 105/124, pp. 128–30, 3 February 1818, George Liddell (London) to Peter Lee (Alexandria) and SP 105/124, pp. 281–2, 25 August 1810, George Liddell (London) to Peter Lee (Alexandria).

95. SP 105/124, pp. 282–3, 25 August 1810, George Liddell (London) to William Wilkinson (Smyrna).

96. SP 105/124, pp. 197–8, 25 March 1819, George Liddell (London) to John Cartwright (Constantinople).

97. SP 105/ 123, pp. 308–9, 1 October 1812, Jacob Bosanquet (London) to Isaac Morier (Constantinople).

98. SP 105/123, p. 318, 3 January 1813, New bylaws transmitted (two copies) to Consul General Morier, Consul Werry, Consul Charnaud and Consul Maltass.

99. SP 105/123, pp. 476–7, 16 January 1816, George Liddell (London) to Isaac Morier (Constantinople) and SP 105/123, pp. 479–80, 27 January 1816, George Liddell (London) to Charles

Lutwidge (Hull) and to collectors in Dublin, Grimsby, Leith and Bristol.

100. SP 105/135, f. 444r–446v, 17 October 1816, Smyrna factory (Smyrna) to the Levant Company (London).

101. See below pp. 160–161.

102. SP 105/124, pp. 14–18, 26 November 1816, George Liddell (London) to Isaac Morier (Constantinople).

103. SP 105/124, pp. 73–9, 10 July 1817, the Levant Company (London) to Isaac Morier (Constantinople).

104. SP 105/136, f. 106r–107v, 1 December 1817, Nathaniel Werry (Smyrna) to the Levant Company (London).

105. SP 105/124, pp. 202–4, 25 March 1819, George Liddell (London) to Francis Werry (Smyrna).

106. SP 105/124, pp. 317–18, 12 April 1821, the Levant Company (London) to Francis Werry (Smyrna).

107. SP 105/124, pp. 326–32, 12 April 1821, George Liddell (London) to John Cartwright (Constantinople).

108. For the transmission of correspondence in the eastern Mediterranean from the fourteenth to nineteenth centuries, see Angelomati-Tsougkaraki, Eleni, 'Η διακίνηση της αλληλογραφίας στην Ανατολική Μεσόγειο (14ος-19ος αιώνας)', *Μεσαιωνικά και Νέα Ελληνικά* viii (2006), pp. 339–74.

109. On the quality and transmission of merchant correspondence in the early modern period, see Trivellato, Francesca, 'Merchants' letters across geographical and social boundaries', in F. Bethencourt (ed.), *Cultural Exchange in Early Modern Europe, vol. II: Correspondence and Cultural Exchange in Europe, 1400–1700* (Cambridge, 2007), pp. 80–103. For a comparison between Greek merchant letters and the Levant Company correspondence in the eighteenth and early nineteenth centuries, see Vlami, Despina and Ikaros Mandouvalos, 'Entrepreneurial forms and processes inside a multiethnic pre-capitalist environment: Greek and British enterprises in the Levant', *Business History* i/39(2010), pp. 7–9.

110. Since the eighteenth century, the art of being a '*parfait négociant*' was conditional to a merchant's capacity to write business letters of quality and status. See Savary, Jacques, *Le Parfait Négociant* (Paris, 1679), which was reprinted many times in the eighteenth century.

111. SP 105/123, pp. 394–5, 14 October 1814, George Liddell (London) to Francis Werry (Smyrna).

112. SP 105/134, f.174r–175v, 15 January 1814, Minutes of the Smyrna assembly.

113. SP 105/134, f. 204r–204v, 31 December 1814, Francis Werry (Smyrna) to George Liddell (London).

114. SP 105/136, f. 98r–98v, 5 September 1817, Francis Werry (Smyrna) to the Levant Company (London).

115. SP 105/123, p. 100, 6 March 1807, John Green (London) to Smitmer Bros (Vienna).

116. SP 105/123, p. 382, 1 August 1814, George Liddell (London) to Francis Freeling (London).

117. SP 105/123, pp. 399–400, 1 December 1814, George Liddell (London) to Smitmer Bros (Vienna).

118. SP 105/123, pp. 403–4, 1 December 1814, George Liddell (London) to Francis Freeling (London).

119. SP 105/123, pp. 408–9, 11 November 1815, George Liddell (London) to Engler and Co (Brussels).

120. SP 105/123, pp. 413–14, 24 February 1815, George Liddell (London) to Bas de Bal and Co (Ostend).

121. SP 105/123, pp. 403–4, 1 December 1814, George Liddell (London) to Francis Freeling (London).

122. SP 105/124, 218–19, 28 May 1815, George Liddell (London) to J. and G. Schuller and Co (Vienna).

123. SP 105/124, pp. 240–1, 22 October 1819, George Liddell (London) to John and George Schuller and Co (Vienna).

124. SP 105/124, pp.236–9, 18 October 1819, George Liddell (London) to Francis Freeling (London).

125. SP 105/123, pp. 411–12, 16 February 1815, George Liddell (London) to John Falconar (Livorno) and SP 105/123, pp. 419–21, George Liddell (London) to Thomas Maitland (Malta).

126. SP 105/124, pp. 171–3, Jacob Bosanquet (London) to John Cartwright (Constantinople).

Chapter 4 British Trade in the Levant: The Historical Background

1. Wood, Alfred C., *A History of the Levant Company* (London, 2006, 3rd ed.), pp. 73–4.

2. Wood: *Levant Company,* pp. 42–3; Lipson, Efraim, *The Economic History of England*, vol. II (London, 1931), p. 285.

3. Lipson: *Economic History*, II, pp. 273, 285. The Persia trade and the permission given by the government to the East India Company to export bullion were two of the major conflicts that arose between the two companies in the seventeenth century.

4. Faroqhi, Suraiya N., 'Crisis and change, 1590–1699', in I. Halil and D. Quataert (eds), *An Economic and Social History of the Ottoman Empire, 1600–1914*, vol. II, (Cambridge, 2006), p. 504.

5. Eldem, Edhem, 'Capitulations and western trade', in S.N. Faroqhi (ed.), *The Cambridge History of Turkey: The Ottoman Empire, 1603–1839*, vol. III, (Cambridge, 2009), p. 298.

6. Faroqhi: 'Crisis and change', pp. 520–3.

7. Edhem: 'Capitulations and western trade', pp. 289–90. Wood: *Levant Company*, pp. 44–6.

8. Wood: *Levant Company*, p. 46.

9. Davis, Ralph, 'English imports from the Middle East, 1580–1780', in M.A. Cook (ed.), *Studies in the Economic History of the Middle East* (Oxford, 1970), pp. 193–206.

10. Wood: *Levant Company*, p. 54.

11. Wood: *Levant Company*, pp. 56–8.

12. In 1702, according to the calculations of the Levant Company, the Dutch trade in cloth had been reduced to the half of what it had been 20 years earlier. See Wood: *Levant Company*, pp. 90–100. On the organisation of Dutch trade in the eighteenth century, see Hakki Kadi, Ismail, *Ottoman and Dutch Merchants in the 18th Century* (Leiden, 2012), pp. 145–69.

13. Wood: *Levant Company*, pp. 101–2.

14. Eldem: 'Capitulations and western trade', pp. 299, 301. Lipson: *Economic History*, II, p. 348.

15. Wood: *Levant Company*, pp. 102–8.

16. Wood: *Levant Company*, pp. 119–20.

17. Wood: *Levant Company*, p. 120.

18. Filippini, Jean Pierre, 'Grandeur et difficultés d' un port franc: Livourne (1676–1737)', *Bulletin de l' Association Française des Historiens Economistes* xii (1979), pp. 36–46 and also 'La navigation entre Livourne et le Levant dans les dernières années de l'Ancien Régime', in: *Ανάτυπο από το αφιέρωμα στον Νίκο Σβορώνο* (Rethymno, 1986), pp. 156–79. Carrière, Charles and Marcel Courdairiè, 'Les grandes heures de Livourne au XVIII siècle', *Revue Historique* ccliv/1 (1975), pp. 39–80; Frangakis-Syrett, Elena, *The Commerce of Smyrna in the Eighteenth Century,*

1700–1820 (Athens, 1992), pp. 169–71.

19. Frangakis-Syrett: *Commerce of Smyrna*, pp. 82–4; Wood: *Levant Company*, pp. 140–1.

20. GL: *The Turkey Merchants*. See also "The case fairly stated between the Turkey Company and the Italian Merchants". Bodleian Pamphlets 362.

21. Anderson, Sonia P., *An English Consul in Turkey: Paul Rycaut at Smyrna, 1667–1678* (Oxford, 1989), pp. 117–30; Wood: *Levant Company*, pp. 205–13.

22. Lipson: *Economic History*, II, p. 347.

23. Eldem, Edhem, *French Trade in Istanbul in the Eighteenth Century* (Leiden, 1999); Frangakis-Syrett: *Commerce of Smyrna*, pp. 85–96.

24. Wood: *Levant Company*, p. 142.

25. Wood: *Levant Company*, p. 143.

26. Lipson: *Economic History*, II, pp. 349–50.

27. Frangakis-Syrett: *Commerce of Smyrna*, pp. 134–5.

28. Wood: *Levant Company*, p. 147.

29. Wood: *Levant Company*, p. 136–8.

30. Davis, Ralph, *Aleppo and Devonshire Square: English Traders in the Levant in the Eighteenth Century* (London, 1967), pp. 67–9.

31. Wood: *Levant Company*, p. 158.

32. Marzagalli, Sylvia, 'American shipping into the Mediterranean during the French wars: a first approach', in S. Marzagalli, J.R. Sofka and J. McCusker (eds), *Rough Waters: American Involvement with the Mediterranean in the Eighteenth and Nineteenth Centuries* (St. John's, 2010), p. 44.

33. Even the French diplomats in the Ottoman Empire criticised the company's poor performance and attributed it to its outdated monopolistic mechanisms. See Beaujour, Félix, *Tableau du Commerce de la Grèce, 1787–1797*, vol. II (Paris, 1800) translated into Greek by Eleni Garidi (Athens, 1974), pp. 170–1.

34. D'Angelo, Mirella, *Mercanti Inglesi a Livorno, 1573–1737* (Messina, 2004); Lipson: *Economic History*, II, p. 350.

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Chapter 5 New Trade Routes and Itineraries

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87. SP 105/123, pp. 330–1, 7 July 1813, the Levant Company (London) to Isaac Morier (Constantinople).

88. SP 105/133, f. 236r–238v, 12 July 1812, Francis Werry (Smyrna) to the Levant Company (London).

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92. SP 105/134, f. 81r–82v, 10 June 1814, Isaac Morier (Constantinople) to the Levant Company (London).

93. SP 105/133, f. 432r–433r, 1 July 1813, Minutes of a factory assembly in Smyrna.

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96. Batsak: 'Impact of Russian foreign policy', pp. 87–8.

97. SP 105/123, pp. 355–8, 3 February 1814, the Levant Company (London) to Isaac Morier (Constantinople).

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104. The Russians believed instead that all Ottoman restrictions against Russian shipping were induced by the British, who were envious of the Russians' supremacy in the Aegean Sea and their close relations with the Greek Ottomans. Prousis: 'Storm warnings', pp. 117–18.

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106. SP 105/125, pp. 67–9, 2 January 1824, George Liddell (London) to John Cartwright (Constantinople) and SP 105/125, pp. 78–9, 5 January 1824, George Liddell (London) to Lord Conyngham (London).

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(Constantinople) to Robert Adair (Constantinople).

166. On American trade with Smyrna in the late eighteenth and early nineteenth centures, see Frangakis-Syrett: *Commerce of Smyrna*, pp. 185–6.

167. SP 105/132, f. 33r–34r, 6 December 1809, Isaac Morier (Constantinople) to Robert Adair (Constantinople).

168. Keene: 'American shipping', pp. 685–6.

169. SP 105/132, f. 191r–193r, 10 January 1810, Isaac Morier (Constantinople) to the Levant Company (London) and SP 105/132, f. 200v–203r, 3 January 1810, Isaac Morier (Constantinople) to Charles W. Green (Constantinople).

170. Frangakis-Syrett: *Commerce of Smyrna*, p. 186.

171. SP 105/132, f. 191r–193r, 10 January 1810, Isaac Morier (Constantinople) to the Levant Company (London).

172. SP 105/132, f. 325r–326v, 4 September 1810, Francis Werry (Smyrna) to the Levant Company (London).

173. SP 105/123, pp. 181–4, the Levant Company (London) to Francis Werry (Smyrna). Frangakis-Syrett: *Commerce of Smyrna*, p. 185.

174. Frangakis-Syrett: *Commerce of Smyrna*, p. 185.

175. SP 105/132, f. 338r–339v, 20 November 1810, Francis Werry (Smyrna) to the Levant Company (London).

176. SP 105/132, f. 200v–203r, 3 January 1810, Isaac Morier (Constantinople) to Charles W. Green (Constantinople).

177. SP 105/132, f. 204r–205r, 12 February 1810, Isaac Morier (Constantinople) to the Levant Company (London).

178. SP 105/123, pp. 244–6, 28 February 1811, the Levant Company (London) to Isaac Morier (Constantinople).

179. SP 105/123, pp. 247–8, 28 February 1811, the Levant Company (London) to Francis Werry (Smyrna).

180. SP 105/133, f. 27r–30r, 19 June 1811, Isaac Morier (Constantinople) to the Levant Company (London).

181. SP 105/133, f. 105r–106v, 22 October 1811, Francis Werry (Smyrna) to the Levant Company (London).

182. SP 105/123, pp. 292–3, 19 March 1812, George Liddell (London) to E. Cooke (London).

183. SP 105/133, f. 105r–106v, 22 October 1811, Francis Werry (Smyrna) to the Levant Company (London).

184. SP 105/133, f. 228r–229v, 4 April 1812, Francis Werry

(Smyrna) to the Levant Company (London).

185. SP 105/124, pp. 6–7, 5 October 1816, George Liddell (London) to Adam Norris (Liverpool).

186. SP 105/124, p. 8, 10 October 1816, George Liddell (London) to S.R. Lushington (London).

187. See in p. 236.

188. SP 105/136, f. 296r–304v, 31 January 1818, Nathaniel W. Werry (Smyrna) to the Levant Company (London).

Chapter 6 New Partnerships: Trading with the Ottomans

1. SP 105/129, f. 280r–281r, 11 August 1803, Soteery Anthony (Constantinople) to the Levant Company (London).

2. Stoianovich, Traian, 'The conquering Balkan Orthodox merchant', *Journal of Economic History* xx (1960), pp. 234–311; Katsiardi-Hering, Olga, 'Central and peripheral communities in the Greek diaspora: interlocal and local economic-political-cultural networks in the 18th and 19th centuries', in M. Rozen, (ed.), *Homelands and Diaspora: Greek, Jews and their Migration* (London, 2008), pp. 169–80; Halrafti, Gelina, 'The "Eastern invasion": Greeks in the Mediterranean trade and shipping in the eighteenth and nineteenth centuries', in M. Fusaro, C. Heywood and M.S. Omri (eds), *Trade and Cultural Exchange in the Early Modern Mediterranean: Braudel's Maritime Legacy* (London, 2010), pp. 223–52.

3. Braude Benjamin and Bernard Lewis (eds), *Christians and Jews in the Ottoman Empire* (New York, NY, 1982), pp. 158–62.

4. Faroqhi, Suraiya N., 'Crisis and change, 1590–1699', in I. Halil and D. Quataert (eds), *An Economic and Social History of the Ottoman Empire, 1600–1914*, vol. II, (Cambridge, 2006, 6th ed.), pp. 517–19. From the sixteenth century, non-Muslim Ottoman merchants collaborated with the members of the foreign merchant communities, representing them as brokers and agents.

5. Harlaftis, Gelina and Sophia Laiou, 'Ottoman state policy in Mediterranean trade and shipping, c. 1780–c. 1820: the rise of the Greek-owned Ottoman merchant fleet', in M. Mazower (ed.), *Networks of Power in Modern Greece* (London, 2008), pp. 1–44; Kremmydas, Vasilis, *Ελληνική Ναυτιλία 1776-1835, τ. 1,* Όψεις της *Μεσογειακής Ναυσιπλοΐας* (Athens, 1985), p. 38. McGowen, Bruce, 'The age of the Ayans', in Halil and Quataert: *An Economic*

and Social History, p. 737.

6. McGowen: 'The age of the Ayans', pp. 668–70.

7. Braude and Lewis: *Christians and Jews*, pp. 158–62.

8. Frangakis-Syrett, Elena, *The Commerce of Smyrna in the Eighteenth century, 1700–1820* (Athens, 1992), pp. 108–11.

9. Frangakis-Syrett: *Commerce of Smyrna*, pp. 71–4. Harlaftis and Laiou: 'Ottoman state policy'.

10. See Van den Boogert, Maurits H., *The Capitulations and the Ottoman Legal System: Qadis, Consuls and Beratlis in the 18th Century* (Leiden, 2005), pp. 63–116 on the system that allowed European traders to employ Ottoman subjects as brokers, money lenders and intermediaries and confer protection and privileges on them.

11. Wood, Alfred C., *A History of the Levant Company* (London, 2006, 3rd ed.), p.179.

12. SP 105/122, pp. 92–3, 30 January 1798, the Levant Company (London) to Francis Charnaud (Salonica).

13. SP 105/126 f.160r–162v, John Spencer Smith (Constantinople) to the Levant Company (London).

14. SP 105/126, f. 2r–3r, 2 January 1797, John Spencer Smith (Constantinople) to the Levant Company (London).

15. Here the non-Muslim subjects engaged in trade, see also Frangakis-Syrett: *Commerce of Smyrna*, p. 60.

16. SP 105/126, f. 2r–3r, 2 January 1797, John Spencer Smith (Constantinople) to the Levant Company (London).

17. SP 105/122, pp. 159–60, 6 December 1799, the Levant Company (London) to George Abbott (Constantinople).

18. SP 105/128, f. 33r–34v, 25 February 1803, Thomas Thornton (Constantinople) to the Levant Company (London).

19. SP 105/128, 49r–49v, 14 March 1803, Proceedings at an Assembly of the British Factory at Constantinople.

20. SP 105/122, pp. 369–70, 10 June 1803, the Levant Company (London) to Alexander Straton (Constantinople).

21. SP 105/129, f. 325r–329r, 13 August 1804, Francis Werry (Smyrna) to the Levant Company (London).

22. SP 105/127, f. 389r–390v, 17 June 1800, Francis Werry (Smyrna) to the Levant Company (London).

23. SP 105/122, pp. 369–370, 10 June 1803, the Levant Company (London) to Alexander Straton (Constantinople).

24. SP 105/122, p. 431, 22 June 1804, the Levant Company (London) to factory at Smyrna (Smyrna).

25. SP 105/129, f. 325r–329r, 13 August 1804, the Levant Company (London) to Francis Werry (Smyrna).

26. SP 105/128, f. 242r–243v, 24 May 1806, Isaac Morier (Constantinople) to the Levant Company (London).

27. Van den Boogert: *Capitulations*, p. 109; Harlaftis and Laiou: 'Ottoman state policy', pp. 15–17.

28. Van den Boogert: *Capitulations*, pp. 105–12; Harlaftis and Laiou: 'Ottoman state policy', pp. 20–1.

29. Eldem, Edhem, 'Capitulations and western trade', in S.N. Faroqhi (ed.), *The Cambridge History of Turkey: The Later Ottoman Empire, 1603–1839*, vol III (Cambridge, 2006), p. 307, on fiscalism as one of the directing principles of Ottoman economic policy.

30. On the commercialisation of protection offered by European embassies to Ottoman subjects, see Van den Boogert: *Capitulations*, pp. 79–82. For the policy of the British embassy in particular, see Ingram, Edward (ed.), *Anglo–Ottoman Encounters in the Age of Revolution. Allan Cunningham. Collected Essays*, vol.1 (London, 1993), pp. 90–1.

31. Masters, Bruce, 'The sultan's entrepreneurs: the Avrupa tüccaris and the Hayriye tüccaris in Syria', *International Journal of Middle East Studies* xxiv/4 (1992), pp. 579–97; Harlaftis and Laiou: 'Ottoman state policy', pp. 20–1.

32. McGowen: 'The age of the Ayans', pp. 696–7.

33. McGowen: 'The age of the Ayans', p. 696.

34. SP 105/133, f. 161r–162v, 19 March 1812, Isaac Morier (Constantinople) to the Levant Company (London).

35. SP 105/133, f. 176r, 19 March 1812.

36. SP 105/133, f. 236r–238v, 12 July 1812, Francis Werry (Smyrna) to the Levant Company (London).

37. SP 105/ 124, pp. 304–305, 29 December 1820, George Liddell (London) to Joseph Planta (London) on Peter Michele (Micheli), consul pilot appointed in Milos.

38. SP 105/136, f. 108r–109r, 31 December 1817, Francis Werry (Smyrna) to George Liddell (London).

39. SP 105/136, f. 108r–109v, 31 December 1817, Francis Werry (Smyrna) to the Levant Company (London).

40. SP 105/123, pp. 170–1, 27 May 1809, John Green (London)

to Isaac Morier (Constantinople).

41. SP 105/124, pp. 212–17, 27 May 1819, Jacob Bosanquet (London) to John Cartwright (Constantinople).

42. Chatziioannou, Maria Christina, 'Mediterranean pathways of Greek Merchants to Victorian England', *Historical Review/La Revue Historique* vii (2010), pp. 213–37.

43. SP 105/123, pp. 170–1, 27 May 1809, John Green (London) to Isaac Morier (Constantinople).

44. SP 105/133, f. 324r–325r, 16 January 1813, Isaac Morier (Constantinople) to the Levant Company (London) and SP 105/123, pp. 332–335, 7 July 1813, the Levant Company (London) to Francis Werry (Smyrna).

45. SP 105/123, pp. 459–61, 6 October 1815, the Levant Company (London) to Francis Werry (Smyrna).

46. SP 105/ 136, f. 296r–304v, 31 January 1818, Nathaniel Werry (Smyrna) to the Levant Company (London).

47. SP 105/124, pp. 131–2, 13 February 1818, George Liddell (London) to Robert Thompson (London).

48. SP 105/124, p. 179, November 1818, George Liddell (London) to J.A. De Reimer (London).

49. Chatziioannou: 'Mediterranean pathways', pp. 213–37.

50. SP 105/124, pp. 131–132, 13 February 1818, George Liddell (London) to Robert Thompson (London).

51. SP 105/124, pp. 212–217, 27 May 1819, Jacob Bosanquet (London) to John Cartwright (Constantinople).

52. SP 105/124, pp. 189–90, 16 February 1819, George Liddell (London) to Messers Kaye, Freshfield and Kaye (London) and SP 105/124, pp. 192–3, 22 March 1819, George Liddell (London) to Joseph Kaye of Kaye, Freshfield and Kaye (London).

53. Dakin, Douglas *The Greek War for Independence* (London, 1973).

54. See above, pp. 129–130.

55. SP 105/124, pp. 423–431, 10 October 1822, Jacob Bosanquet (London) to George Canning (London).

56. Clogg, Richard, 'Smyrna in 1821: documents from the Levant Company achives in the Public Record Office', *Μικρασιατικά Χρονικά* xv (1972), pp. 313–71.

57. Frangakis-Syrett: *Commerce of Smyrna*, p. 67.

58. SP 105/124, pp. 525–527, 1 May 1823, George Liddell (London) to John Cartwright (Constantinople).

59. See above pp. 75–76.

60. SP 105/125, pp. 124–6, 29 May 1824, George Liddell (London) to J.W. Freshfield (London).

61. SP 105/125, pp. 126–8, 31 May 1824, George Liddell (London) to William Jones (Dublin).

62. Van den Boogert: *Capitulations*, p. 304.

63. A strategy that developed during war and expanded after the end of the war as a means to evade the payment of high consulage dues to the company, see below pp. 244–245.

64. On the arbitration as one of the favorite methods of resolving conflicts in the Ottoman legal system between Ottomans and Europeans and the examination of claims by a council of arbiters, see Van den Boogert: *Capitulations*, p. 305.

65. SP 105/128, f. 85r–86r, 7 September 1805, Isaac Morier (Constantinople) to Charles Arbuthnot (Constantinople) and SP 105/132, f. 17r–18r, 3 June 1809, Isaac Morier (Constantinople) to Robert Adair (Constantinople).

66. SP 105/132, f. 31r–32r, 13 December 1809, Isaac Morier (Constantinople) to the Levant Company (London).

67. SP 105/127, f. 251r–252r, 30 September 1799, Bartholomew Pisani (Constantinople) to John Spencer Smith (Constantinople).

68. Van den Boogert: *Capitulations*, p. 305. Usually the arbitration committee appointed by the Ottoman authorities to resolve conflicts were mixed, comprising Muslim and non-Muslim Ottoman subjects and Europeans. In this case both committees were comprised exclusively by Greeks.

69. SP 105/127, f. 251r–252r, 30 September 1799, Bartholomew Pisani (Constantinople) to John Spencer Smith (Constantinople).

70. SP 105/127, f. 371r–373v, 15 January 1800, Francis Werry (Smyrna) to the Levant Company (London).

71. SP 105/128, f. 94r–95r, 14 September 1805, Isaac Morier (Constantinople) to Charles Arbuthnot (Constantinople).

72. SP 105/128, f. 83r–84v, 10 September 1805, Isaac Morier (Constantinople) to the Levant Company (London).

73. On the procedures followed by European ambassadors and consuls in cases of bankruptcies involving Ottoman subjects and the complications when trying to define the ownership of goods consigned to a bankrupt merchant, see Van den Boogert: *Capitulations*, pp. 220, 259–60.

74. SP 105/132, f. 17r–18r, 3 June 1809, Isaac Morier

(Constantinople) to Robert Adair (Constantinople).

75. Van den Boogert: *Capitulations,* pp. 117–58; Eldem, Edhem: 'Capitulations and western trade', pp. 309–10.

76. SP 105/123, pp. 143–4, 1808, John Green (London) to Earl Bathurst (London).

77. SP 105/123, pp. 150–2, 17 September 1808, John Green (London) to Jacob van Lennep (Smyrna). On the van Lennep family in Smyrna, see Smyrnelis, Marie-Carmen, *Une société hors de soi. Identités et Relations Sociales à Smyrne aux XVIIIe et XIX siècles* (Leuven, 2005), p. 221, 277.

78. The ship *Ann*, loaded with cotton, was captured by a Malta privateer and adjudged as a prize by the vice-admiralty in Malta. Catiboglu's concern in the cargo was uninsured and his loss was considerable, see SP 105/132, f. 325r–326v, 4 September 1810, Francis Werry (Smyrna) to the Levant Company (London).

79. Frangakis-Syrett: *Commerce of Smyrna*, pp. 70.

80. Negotiations and arbitration were, according to Van den Boogert, the most common methods of dispute resolutions between Ottomans and Europeans. The disputes could always be brought to the jurisdiction of the *qadi* (judge) and at a higher level of the imperial divan (*divan-I hümayun*). Van den Boogert: *Capitulations*, pp. 303–4.

81. Van den Boogert: *Capitulations*, p. 305.

82. SP 105/132, f. 274r–275v, 15 October 1810, Isaac Morier (Constantinople) to the Levant Company (London).

83. This system did not last for long and was modified again by the Ottoman authorities after some years.

84. SP 105/134, 5r–7r, 10 March 1814, Isaac Morier (Constantinople) to the Levant Company (London).

85. SP 105/134, f. 31r, 10 March 1814, Isaac Morier (Constantinople) to the Levant Company (London).

86. SP 105/135, f.71r–74r, August 1815, Observations on the decree of the Grand Vizir, which attaches the property of Mess Lee and Sons at Smyrna, addressed by ambassador Sir Robert Liston to the Turkish Government.

87. SP 105/135, f. 147r–148r, 16 August 1815, British factory (Smyrna) to Robert Liston (Constantinople).

88. SP 105/135, f. 167r–167v, 15 December 1815, Francis Werry (Smyrna) to George Liddell (London).

89. SP 105/133, f.179r–180v, 30 June 1812, Isaac Morier

(Constantinople) to the Levant Company (London).

90. SP 105/122, pp. 528–9, 30 July 1805, the Levant Company (London) to Isaac Morier (Constantinople).

91. Boddington had been accused in February 1813 of accepting false manifests for outward-bound vessels and of exacting thus sums of money as a recompense. The charges had been made by a British merchant, John Cartwright, and two foreign merchants trading at Malta, Lucavich and Vitali. According to Vitali's cashier, Giovanni Proveleggio, Boddington had received 850 piastres to issue the papers for a ship ready to depart for Malta. SP 105/133, f. 355r–356v, 10 June 1813, Isaac Morier (Constantinople) to the Levant Company (London).

92. SP 105/133, f. 362r–365r, 1 November 1813, Isaac Morier (Constantinople) to the Levant Company (London).

93. SP 105/133, f. 376r, 10 December 1813, Isaac Morier (Constantinople) to the Levant Company (London).

94. SP 105/135, f. 4r–4v, 25 January 1815, John Prior (Constantinople) to the Levant Company (London).

95. Faroqhi: 'Crisis and Change', pp. 589–92, on the organisation of the Ottoman guilds from the sixteenth century.

96. SP 105/133, f. 284r–285v, f. 286r–287r, f. 365r–366r.

97. Sp 105/133, f. 365r–366r, 15 September 1813, Isaac Morier (Constantinople) to the Levant Company (London) and SP 105/133, f. 362r–365r, Isaac Morier (Constantinople) to the Levant Company (London).

98. SP 105/133, f. 387r, 28 November 1813, Isaac Morier (Constantinople) to the Levant Company (London).

99. SP 105/134, f. 94r–94v, 22 June 1814, Bartholomew Pisani (Constantinople) to Robert Liston (Constantinople).

100. SP 105/134, f. 99r–100v, 25 July 1814, Isaac Morier (Constantinople) to the Levant Company (London).

Chapter 7 Tariffs and Duties

1. Svoronos, Nicos, *Le commerce de Salonique au 18eme siècle* (Paris, 1956), translated into Greek (Athens, 1996), pp. 67–75. The foreign merchants and their protégés paid a 3 per cent import and export duty, but they could transfer their merchandise within the Ottoman Empire free of charge. They were also charged with the *bid'at*, a variety of taxes and duties imposed upon specific commodities and products (cotton, wax, coffee,

etc.). In violation of the capitulations, other extraordinary duties were imposed on the trade of foreign merchant communities by local officials every time they were in need of cash.

2. Faroqhi, Suraiya N., 'Crisis and Change, 1590–1699', in I. Halil and D. Quataert (eds), *An Economic and Social History of the Ottoman Empire, 1600–1914*, vol. II, (Cambridge, 2006, 6th ed.), pp. 481–2.

3. A principle defined as 'fiscalism' by Eldem Edhem in 'Capitulations and Western trade', in S.N. Faroqhi (ed.), *The Cambridge History of Turkey: The Later Ottoman Empire, 1603–1839*, vol III, (Cambridge, 2006), p. 30.

4. Eldem: 'Capitulations', p. 310.

5. Faroqhi: 'Crisis and Change', p. 499. See also Svoronos: *Commerce de Salonique*, pp. 67–75.

6. Van den Boogert, Maurits H., *The Capitulations and the Ottoman Legal System: Qadis, Consuls and Beratlis in the 18th century* (Leiden, 2005), pp. 303–4.

7. Faroqhi: 'Crisis and Change', pp. 481–2.

8. Lipson, Efraim, *Economic History of England: The Age of Mercantilism*, vol. II, (London, 1931), p. 346.

9. Masson, Paul, *Histoire du Commece Francais dans le XVII siècle* (Paris, 1911); Hamilton, Alastair, Alexander H. De Groot and Maurits H. Van den Boogert, *Friends and Rivals in the East: Studies in Anglo–Dutch Relations in the Levant from the Seventeenth to the Early Nineteenth Century* (Leiden, 2000).

10. All ships entering or leaving Ottoman ports had to clear customs and pay duties unless they could show the *tezkere* (receipt) which indicated that they had already paid customs duty at another port. According to the terms of the capitulations, European merchants paid duties only once, unlike Ottoman subjects who paid duties every time they transported their goods to another port. Frangakis-Syrett, Elena, *The Commerce of Smyrna in the Eighteenth Century, 1700–1820* (Athens, 1992), p. 28.

11. SP 105/128, f. 169r–170r, 17 May 1802, Alexander Straton (Constantinople) to the Levant Company (London).

12. SP 105/128, f. 171r–172v, 13 April 1802, Remonstrance of the factory at Smyrna.

13. On 10 April 1802, Alexander Straton announced to the factory that, in the absence of Lord Elgin, he would undertake the embassy's public affairs under the title His Majesty's minister plenipotentiary, SP 105/128, f. 167r–168v, 10 April 1802,

Thomas Thornton (Constantinople) to the Levant Company (London).

14. SP 105/128, f. 173r–173v, 17 April 1802, Francis Werry (Smyrna) to Alexander Straton (Constantinople).

15. SP 105/122, p. 229, the Levant Company (London) to Lord Elgin (Constantinople).

16. SP 105/122, pp. 302–5, 6 July 1802, the Levant Company (London) to Alexander Straton (Constantinople).

17. SP 105/122, pp. 302–5, 6 July 1802, the Levant Company (London) to Alexander Straton (Constantinople).

18. McGill, Thomas, *Travels in Turkey, Italy and Russia during the years 1803, 1804, 1805 and 1806*, vol 2 (London, 1808). Appendix II, 'Duties paid by the British on goods exported from, and imported into the Ottoman Empire'.

19. SP 105/123, p. 34, 11 April 1806, the Levant Company (London) to Isaac Morier (Constantinople).

20. SP 105/132, f. 191r–193r, 10 January 1810, Isaac Morier (Constantinople) to the Levant Company (London).

21. SP 105/132, f. 194r–196v, 26 December 1809, Bartholomew Pisani (Constantinople) to Isaac Morier (Constantinople), 'A Case referred to the Consideration of the Gentlemen of the English factory at Constantinople'.

22. SP 105/132, f. 197r, 30 December 1809, Isaac Morier (Constantinople) to Robert Adair (Constantinople).

23. SP 105/ 133, f. 83r–84r, Francis Werry (Smyrna) to the Levant Company (London), 15 March 1811.

24. SP 105/133, f. 52r–55v, 26 November 1811, Isaac Morier (Constantinople) to the Levant Company (London).

25. SP 105/133, f. 189r–190r, 8 August 1812, Isaac Morier (Constantinople) to Robert Liston (Constantinople).

26. SP 105/123, pp. 283–4, 15 January 1812, the Levant Company (London) to Francis Werry (Smyrna) and SP 105/123, pp.197r–198v, 12 November 1812, Isaac Morier (Constantinople) to the Levant Company (London).

27. SP 105/133, f. 189r–190r, 8 August 1812, Isaac Morier (Constantinople) to Robert Liston (Constantinople).

28. SP 105/133, f. 91r–91v, Francis Werry (Smyrna) to the Levant Company (London).

29. SP 105/133, f. 195r–196r, 26 September 1812, Isaac Morier (Constantinople) to Robert Liston (Constantinople).

30. SP 105/133, f. 199r–200r, 11 September 1812, Isaac Morier (Constantinople) to Robert Liston (Constantinople).

31. SP 105/133, f. 332r–335r, 17 January 1813.

32. SP 105/133, f. 340r–340v, 5 March 1813, Isaac Morier (Constantinople) to Robert Liston (Constantinople).

33. SP 105/133, f. 326r–327v, Isaac Morier (Constantinople) to the Levant Company (London).

34. SP 105/133, f. 430r–431r, 14 May 1813, Assembly minutes of the British factory (Smyrna)

35. SP 105/133, 415r–416r, 2 September 1813, Francis Werry (Smyrna) to the Levant Company (London).

36. SP 105/124, pp. 377–406, 22 June 1814, the Levant Company (London) to Isaac Morier (Constantinople).

37. SP 105/135, f. 30r–30v, 13 December 1814.

38. SP 105/124, pp. 422–427, 6 April 1815, the Levant Company (London) to Isaac Morier (Constantinople).

39. SP 105/137, f. 8r–9r, 27 December 1818, Robert Liston (Constantinople) to Lord Castlereagh (London).

40. SP 105/137, f. 12r–12v, 21 May 1819, Assembly of the factory in Constantinople.

41. SP 105/137, f. 81r–86r, 29 July 1819, Report of a committee of British merchants appointed to consider the revision of the tariff addressing the assembly of British merchants.

42. SP 105/137, f. 8r–9v, 27 December 1818, Robert Liston (Constantinople) to Lord Castlereagh (London).

43. SP 105/137, f. 8r–9v, 27 December 1818, 27 December 1818, Robert Liston (Constantinople) to Lord Castlereagh (London).

44. SP 105/137, f. 18r–18v, 10 July 1819, John Cartwright (Costantinople) to George Liddell (London).

45. SP 105/138, f. 28r–28v, 10 August 1820, John Cartwright (Constantinople) to George Liddell (London).

46. SP 105/123, pp. 30–1, 19 March 1806, John Green (London) to William Fawkener (London)

47. SP 105/123, p. 303, 8 July 1812, Jacob Bosanquet (London) to Lord Viscount Chetwynd (London).

48. SP 105/123, pp. 315–16, 10 March 1812, George Liddell (London) to H. Richmond (London).

49. SP 105/123, p. 310, 14 October 1812, George Liddell (London) to the Lords of the Committee of HM Privy Council

[Board of Trade] (London); SP 105/123, pp. 311–12, 17 October 1812, George Liddell (London) to Thomas Lack (London); SP 105/123, pp. 317–18, 29 December 1812, George Liddell (London) to the Lords of the Committee of HM Privy Council [Board of Trade] (London).

50. SP 105/123, pp. 96–7, 9 February 1807, John Green (London) to Nicholas Vansittart (London).

51. SP 105/123, pp. 290–1, 14 March 1812, George Liddell (London) to Thomas Lack (London).

52. SP 105/123, pp. 498–501, 5 June 1816, George Liddell (London) to S.R. Lushington (London).

53. SP 105/123, pp. 474–6, 15 January 1816, George Liddell (London) to John Grimes (London).

54. SP 105/124, pp. 184–5, 1 January 1819, George Liddell (London) to Thomas Lack (London).

55. SP 105/123, pp. 479–80, 27 January 1816, George Liddell (London) to Charles Lutwidge (Hull).

56. SP 105/124, pp. 14–15, 26 November 1816, George Liddell (London) to Isaac Morier (Constantinople).

57. SP 105/124, pp. 387–90, 20 June 1822, George Liddell (London) to James Brabant (Constantinople), on the new 9th bylaw according to which non-enumerated goods like wheat would be charged at only 0.5 per cent of their value.

58. SP 105/124, pp. 219–21, 14 June 1819, Jacob Bosanquet (London) to Nicholas Vansittart (London).

59. SP 105/124, pp. 257–60, Jacob Bosanquet (London) to the Earl of Liverpool (London).

60. SP 105/124, pp. 172–4, 30 September 1824, George Liddell (London) to Thomas Lack (London).

61. SP 105/124, pp. 545–6, 1 August 1823, George Liddell (London) to John Cartwright (Constantinople).

Chapter 8 Entrepreneurial Form

1. Wood, Alfred C., *A History of the Levant Company* (London, 2006, 3rd ed.), pp. 156–7.

2. Davis, Ralph, *Aleppo and Devonshire Square: English Traders in the Levant in the Eighteenth Century* (London, 1967), p. 69.

3. Wood: *Levant Company*, p. 195. Chapman, Stanley D., *Merchant Enterprise in Britain* (London, 2003, 2nd ed.), pp. 40–1.

4. See below, pp. 249–251.

5. Davis: *Aleppo*, pp. 70–3.

6. Chapman: *Merchant Enterprise*, pp. 74–5; Davis: *Aleppo*, pp. 71; Goffman, Daniel, *Britons in the Ottoman Empire, 1642–1660* (Washington, WA, 1998), p. 46.

7. Davis: *Aleppo*, p. 71–2.

8. Chapman: *Merchant Enterprise*, p. 76.

9. Chapman: *Merchant Enterprise*, pp. 26–8. Davis: *Aleppo*, pp. 68–70.

10. SP 105/136, f. 296r–304v, 31 January 1818, Nathaniel Werry (Smyrna) to the Company (London).

11. Chapman: *Merchant Enterprise*, p. 52.

12. Chapman: *Merchant Enterprise*, pp. 51–6.

13. SP 105/140, f. 280r–280v, 11 April 1822, Francis Charnaud (Salonica) to the Levant Company (London). The Constantinople pricelist is attached in Charnaud's letter and is signed by General Consul John Cartwright and Chancellor J. Schoolbred.

14. Vlami, Despina, 'Entrepreneurship and relational capital in a Levantine context: Bartholomew Edward Abbott, the "father of the Levant Company" in Thessaloniki (eighteenth–nineteenth centuries)', *Historical Review/La Revue Historique* vi (2009), pp. 146–7.

15. Chapman: *Merchant Enterprise*, pp. 35–6.

16. SP 105/123, pp. 211–213, 9 March 1810, the Levant Company (London) to Francis Werry (Smyrna).

17. SP 105/133, f. 18r–19r, 16 November 1810, James Galt (Malta) to Stratford Canning (Constantinople).

18. SP 105/132, f. 16r–17r, 21 December 1810, Isaac Morier (Constantinople) to Stratford Canning (Constantinople) and SP 105/133, f. 10r–11v, 5 January 1811, Isaac Morier (Constantinople) to the Levant Company (London).

19. SP 105/124, p. 311, 29 March 1821, George Liddell (London) to Henry Crosley (London).

20. SP 105/128, f. 233r–234v, 27 August 1802, Thomas Thornton (Constantinople) to the Levant Company (London) and SP 105/128, f. 245r, 12 November 1802, Elgin (Constantinople) to the Levant Company (London).

21. SP 105/132, f. 207r–210r, 15 April 1810, Isaac Morier (Constantinople) to the Levant Company (London).

22. SP 105/133, f. 8r–9r, 8 October 1810, Giorgio Reggio (Canea)

to Robert Adair (Constantinople).

23. Wood: *Levant Company*, p. 163. SP 105/123, pp. 470–472, 8 December 1815, the Levant Company (London) to Isaac Morier (Constantinople).

24. McGowan, Bruce, 'The age of the Ayans, 1699–1812', in I. Halil and D. Quataert (eds), *An Economic and Social History of the Ottoman Empire, 1600–1914*, vol. II (Cambridge, 2006), p. 728.

25. SP 105/124, pp. 279–80, 15 August 1820, George Liddell (London) to John Cartwright (Constantinople).

26. SP 105/124, pp. 287–92, 20 September 1820, the Levant Company (London) to Peter Abbott (Acre).

27. SP 105/123, pp. 486–8, 12 March 1816, George Liddell (London) to John Falconar (Leghorn).

28. SP 105/129, f. 122r–123v, 2 May 1803, Francis Werry (Smyrna) to the Levant Company (London).

29. See also above p. 183.

30. SP 105/128, f. 24r–26r, 10 February 1802, Alexander Straton (Constantinople) to the Levant Company (London) where a list with all the commissars of commercial relations appointed by France in the Levant and the Black Sea.

31. SP 105/129, f. 122r–123v, 2 May 1803, Francis Werry (Smyrna) to the Levant Company (London).

32. SP 105/128, f. 80r–80v, Choderlos (Smyrna) to Francis Werry (Smyrna).

33. SP 105/128, f. 82r–82v, 2 May 1802, Alexander Straton (Constantinople) to Francis Werry (Smyrna) and SP 105/128, f. 76r–77r, 10 May 1803, Alexander Straton (Constantinople) to the Levant Company (London).

34. SP 105/128, f. 76r–77r, 10 May 1803, Alexander Straton (Constantinople) to the Levant Company (London). See also the letter addressed by the Lee and Sons to ambassador William Drummond on 16 June 1803, enclosed in a letter sent by Drummond to Francis Werry, SP 105/128, f. 93r, 23 June 1803, William Drummond (Constantinople) to Francis Werry (Smyrna).

35. SP 105/124, pp. 40–1, 18 March 1817, George Liddell (London) to James Brant (Smyrna).

36. SP 105/123, p. 269, 17 June 1811, George Liddell (London) to J.M. Croker (London).

37. SP 105/124, p. 512, 17 April 1823, George Liddell (London) to John Cartwright (Constantinople), where he refers to a letter

by Cartwright of May 1821 promising to collect the information requested by the Board of Trade.

38. SP 105/124, pp. 312–315, 29 March 1821, the Levant Company (London) to John Cartwright Constantinople). This was the first letter received by General Consul Cartwright presenting him the petition of the Board of Trade. For the next two years, no clear answer or information was delivered by the general consul and the Constantinople factory at the board's request.

39. SP 105/124, pp. 333–5, 14 April 1821, George Liddell (London) to Thomas Lack (London).

40. SP 105/124, pp. 540–2, 19 July 1823, George Liddell (London) to Thomas Lack (London).

Chapter 9 Strategy: Compliance and Deviation

1. Vlami, Despina and Ikaros Mandouvalos, 'Entrepreneurial forms and processes inside a multiethnic pre-capitalist environment: Greek and British enterprises in the Levant', *Business History* lv/1 (2013), pp. 110–13.

2. Vlami, Despina, 'Entrepreneurship and relational capital in a Levantine context: Bartholomew Edward Abbott, the "father of the Levant Company" in Thessaloniki (eighteenth–nineteenth centuries)', *The Historical Review/La Revue Historique* vi (2009), pp. 137–50.

3. Vlami and Mandouvalos: 'Entrepreneurial forms', pp. 110–13.

4. Davis, Ralph, *Aleppo and Devonshire Square: English Traders in the Levant in the Eighteenth Century* (London, 1967), p. 213. He mentions that, once, the whole factory in Constantinople refused to give the oath.

5. Frangakis-Syrett, Elena, *The Commerce of Smyrna in the Eighteenth Century, 1700–1820*, (Athens, 1992), p. 79.

6. SP 105/122, pp. 182–184, 16 May 1800, Jacob Bosanquet (London) to Stephen Cottrell (London).

7. Galani, Katerina, "British Shipping and Trade in the Mediterranean in the Age of War", *1770–1815*, PhD Thesis, University of Oxford, (2010), pp. 116–54. Frangakis-Syrett: *Commerce of Smyrna*, p. 83.

8. SP 105/123, pp. 200–201, 8 February 1810, George Liddell (London) to H. Richmond (London).

9. SP 105/123, pp. 30–31, 19 March 1806, John Green (London) to William Fawkener (London); SP 105/123, p. 303, 8 July 1812,

J. Bosanquet (London) to Lord Viscount Chetwynd (London); SP 105/124, pp. 342–343, 24 May 1821, George Liddell (London) to Mess. Haselden and Willis (Liverpool).

10. SP 105/136, f. 129r–131v and SP 105/137, f. 102r–107r.

11. SP 105/135, f. 444r–446v, 17 October 1816, Memorial of the Smyrna factory demanding a review of the company's bylaws.

12. SP 105/124, pp. 112–114, 6 November 1817, Jacob Bosanquet (London) to Nicholas Vansittart (London).

13. SP 105/136, f. 296r–304v, 31 January 1818, Nathaniel W. Werry (Smyrna) to the Levant Company (London).

14. SP 105/124, pp. 436–437, 2 November 1822, George Liddell (London) to Thomas Lack (London), asking the Board of Trade for an additional interpretation of the eighth clause of the act.

15. SP 105/124, pp. 460–462, 5 December 1822, Jacob Bosanquet (London) to Grenville (London).

16. SP 105/124, pp. 494–497, 27 February 1823, George Liddell (London) to Thomas Lack (London).

17. SP 105/124, pp. 483–485, 13 February 1823, Jacob Bosanquet (London) to William Huskisson (London).

18. SP 105/124, pp. 54–55, 7 November 1823, George Liddell (London) to Thomas Lack (London).

19. SP 105/124, pp. 510–511, 12 April 1823, George Liddell (London) to Thomas Lack (London).

20. SP 105/123, pp. 162–163, 22 March 1809, Jacob Bosanquet and John Green (London) to Isaac Morier (Constantinople).

21. SP 105/123, pp. 170–171, 24 May 1809, John Green (London) to Isaac Morier (Constantinople).

22. SP 105/123, pp. 280–282, 15 January 1812, the Levant Company (London) to Isaac Morier (Constantinople).

23. SP 105/123, pp. 280–282, 15 January 1812, the Levant Company (London) to Isaac Morier (Constantinople).

24. SP 105/133, f. 57r, 11 September 1811, Isaac Morier (Constantinople) to Richard Sarell (Constantinople), on the legality of the consulage charged upon members contested by some British merchants.

25. SP 105/123, pp. 445–447, 27 July 1815, George Liddell (London) to Peter Lee (Alexandria, Egypt).

26. SP 105/123, pp. 512–514, 30 July 1816, George Liddell (London) to Isaac Morier (Constantinople).

27. SP 105/134, f. 69r–71r, 25 May 1814, Isaac Morier

(Constantinople) to the Levant Company (London).

28. SP 105/135, f. 427r–428r, 17 August 1816, Francis Werry (Smyrna) to the Levant Company (London).

29. SP 105/124, pp. 1–2, 30 July 1816, George Liddell (London) to Francis Werry (Smyrna).

30. SP 105/135, f. 433r–434r, 17 September 1816, James Brant (Smyrna) to the Levant Company (London).

31. SP 105/124, pp. 105/124, p. 3, 7 August 1816, George Liddell (London) to Mess. William Maltass and Co (Alexandria, Egypt).

32. SP 105/124, pp.1–2, 30 July 1816, George Liddell (London) to Francis Werry (Smyrna).

33. SP 105/124, p. 24, 23 January 1817, George Liddell (London) to William Hamilton (London).

34. SP 105/124, pp. 73–79, 10 July 1817, the Levant Company (London) to Isaac Morier (Constantinople).

35. SP 105/124, pp. 73–79, 10 July 1817, the Levant Company (London) to Isaac Morier (Constantinople).

36. SP 105/136, f. 296r–304v, 31 January 1818, Nathaniel W. Werry (Smyrna) to the Levant Company (London).

37. SP 105/125, pp. 124–126, 29 May 1824, George Liddell (London) to J.W. Freshfield (London).

Chapter 10 Transactions and Interactions in the Levant: Bartholomew Edward Abbott, Luisa Vernon and the Constantinople Factory

1. SP 105/137, pp. 205–5a and SP 105/121, pp. 210–12.

2. Peter Chasseaud was the son of Abbott's wife Sarah from her first marriage to Gabriel Chasseaud, a merchant at Smyrna. Vlami, Despina, ‘Entrepreneurship and relational capital in a Levantine context: Bartholomew Edward Abbott, the “father of the Levant Company” in Thessaloniki (eighteenth-nineteenth centuries)’, *Historical Review/La Revue Historique* vi (2009), pp. 138–9.

3. Vlami: ‘Entrepreneurship’, pp. 136–41.

4. Vlami: ‘Entrepreneurship’, p. 142.

5. Vlami: ‘Entrepreneurship’, p. 145–50. Similar relations and bonds developed among the members of the Smyrna merchant

community in the eighteenth and early nineteenth centuries. See Smyrnelis, Marie-Carmen, *Une société hors de soi. Identités et Relations Sociales à Smyrne aux XVIIIe et XIX siècles* (Leuven, 2005).

6. Vlami: 'Entrepreneurship', p. 147.

7. Thomas Vernon was a factor in Aleppo and his letters to his principals and other Levant factors from 1753–9 are kept in the UK National Archives, SP 110/33–7.

8. Davis, Ralph, *Aleppo and Devonshire Square: English Traders in the Levant in the Eighteenth Century* (London, 1967), pp. 246–8.

9. Davis: *Aleppo*, p. 226; Wood, Alfred C., *A History of the Levant Company* (London, 2006, 3rd ed.), p. 225.

10. According to Wood, the factory had closed down from 1791 to 1803. Wood: *Levant Company*, p. 225.

11. Barker, John, *Syria and Egypt under the Last Five Sultans of Turkey*, vol. 1 (London, 1876), pp. 27–9.

12. Abbott's death was registered to the British chancellery only on 15 March 1799 and some days later, on 4 April 1799, the British minister plenipotentiary in Constantinople, John Spencer Smith, nominated John Barker, his former private secretary, as trustee and administrator of Abbott's estate. SP 105/127, f. 56r–56v. 10 August 1799.

13. A comprehensive account of the transactions and personality of Luisa Vernon is provided by the correspondence between John Spencer Smith and John Barker in 1799, SP 105/127, 56r–60v.

14. Correspondence of Sir Harford Jones-Brydges, Bt [no ref. or date], Aleppo [AL] 40/8115–20, 24 November 1802–12 July 1803, Letter: John Barker from Aleppo to Harford Jones, Esq.

15. Amini, Iradj, *Napoleon and Persia: Franco–Persian Relations under the First Empire* (Richmond, 1999), p. 49.

16. Davis: *Aleppo*, pp. 35–6.

17. Barker: *Syria*, p. 28.

18. The overland route of English trade as established before 1798 ran from Basra via Aleppo to Constantinople. In May 1799, Peter Tooke, member of the Levant Company and agent of the East India Company in Constantinople, began to send eastbound dispatches via Baghdad because the advance of the Ottoman forces into Syria had made the Aleppo route unsafe. Yapp, M.E., 'The establishment of East India Company residency at Baghdad, 1798–1806', *Bulletin of School of Oriental and African Studies* xxx/2 (1967), pp. 333–4.

19. SP 105/ 132, f. 282r–288r.

20. SP 105/132, f. 282r–283r, 29 August 1810.

21. SP 105/133, f. 284r–285v, 15 October 1810.

22. SP 105/133, f. 286r–287v, 11 October 1810.

23. SP 105/133, f. 288r, 11 October 1810.

Chapter 11 The Abbott House

1. *The Levant Company's Orders and By-laws* (London, 1800).

2. On postmortem inventories and their utility in historical research, see Weatherill, Lorna, 'The meaning of consumer behavior in late seventeenth and early eighteenth century England', in J. Brewer and R. Porter (eds), *Consumption and the World of Goods* (London, 1993), pp. 206–28. See also Weatherill, Lorna, *Consumer Behaviour and Material Culture in Britain, 1660–1760* (London, 1996).

3. SP 105/137, f. 195v–217r.

4. SP 105/137, f. 148r–308r.

5. The compiling of inventories in Britain and their deposition at the Prerogative Court of Canterbury or other competent courts was a common practice until the middle of the eighteenth century and was either related with the execution of a will and the management of a property or with cases that were contested or disputed. This practice appears to have been slowly abandoned during the nineteenth century. See Weatherill: *Consumer Behaviour*, pp. 2–4.

6. Vlami, Despina, 'Το υλικό περιβάλλον και ο οικιακός χώρος ενός Άγγλου εμπόρου στη Θεσσαλονίκη στα τέλη του 18ου με αρχές του 19ου αιώνα', *Mnimon* xxx (2009), pp. 61–105.

7. The property belonged to the Greek merchant Ioannis Gouta Caftangioglou. Caftangioglou was the father-in-law of Abbott's son George Frederic. The building housing the British consulate in Salonica, where Francis Charnaud lived, also belonged to Caftangioglou. Vlami, Despina, 'Entrepreneurship and relational capital in a Levantine context: Bartholomew Edward Abbott, the "father of the Levant Company" in Thessaloniki (eighteenth-nineteenth centuries)', *Historical Review/La Revue Historique* vi (2009), p. 146. See also Vlami: 'Υλικό Περιβάλλον', pp. 70–1. Living in the same neighborhood reinforced community relations and imparted a sense of security to the European merchants and their families. See Smyrnelis, Marie-Carmen, *Une société hors de*

soi. Identités et Relations Sociales à Smyrne aux XVIIIe et XIX siècles (Leuven, 2005), p. 312.

8. Vlami: 'Υλικό Περιβάλλον', p. 71.

9. Goffman, Erving, *The Presentation of Self in Everyday Life* (New York, NY, 1959); Weatherill: *Consumer Behaviour*, p. 217.

10. Berg, Maxine and Helen Clifford (eds), *Consumers and Luxury in Europe, 1650–1850* (Manchester, 1999); Berg, Maxine, *Luxury and Pleasure in 18th-century Britain* (Oxford, 2005), p. 224. The majority of the houses of the upper middle class of the late seventeenth to early eighteenth centuries had three to six rooms and a large living room. During this period this area was decorated with various objects, paintings, mirrors, a clock and books. By the eighteenth century, many of these houses were furnished with avant-garde furniture, porcelain, silverware, carpets, and candelabras. The houses decorated in the Georgian style (see below) acquired a denoted British identity, see Berg: *Luxury and Pleasure*, p. 25.

11. Weatherill: *Consumer Behaviour*, p. 6; Berg: *Luxury and Pleasure*, p. 219.

12. Eardley Norton was a London watchmaker between 1760 and 1779. He was famous for his table clocks that were offered as presents to many members of European royal families. See www.davidgibson.co.uk. On the importance of clocks and watches as decorative objects in the eighteenth century, see Berg: *Luxury and Pleasure*, p. 227.

13. The possession of curtains increased three- to fivefold in a sample of middle class households from 1670 to 1725, according to Berg: *Luxury and Pleasure*, p. 219.

14. On dining rooms in upper- and middle-class households in the eighteenth century, see Berg: *Luxury*, p. 228; see also Vickery, Amanda, 'Women and the world of goods: a Lancashire consumer and her possessions, 1751–1781', in J. Brewer John and R. Porter (eds), *Consumption and the World of Goods* (London, 1993), pp. 274–304, for the material environment and the consumption habits of Elizabeth Shackleton, a wealthy widow.

15. Morning breakfast and afternoon tea were new consumption habits in the eighteenth century and were related to the consumption of hot drinks – coffee, tea and chocolate. Silverplated, glass and porcelain sets appeared contemporarily for their serving, Berg: *Luxury and Pleasure*, p. 237. On the significance of the art de la table and dining etiquette during this period, see Visser, Margaret, *The Rituals of Dinner* (London, 1992).

16. Berg: *Luxury and Pleasure*, p. 25; Cornforth, John, *Early Georgian Interiors* (London, 2005).

17. McKendrick, Neil, 'The commercialization of fashion', in N. McKendrick, J. Brewer and J.H. Plumb (eds), *The Birth of a Consumer Society: The Commercialization of 18th-century England* (Bloomington, IN, 1982), pp. 100–45.

18. Weatherill: *Consumer Behaviour*, p. 20.

19. See Weatherill: *Consumer Behaviour*, pp. 150–1, where she mentions that, although cooking was considered a major activity inside the domestic environment from 1660 to 1760 – from a practical and a symbolic point of view – in most inventories examining the number and the quality of the kitchen utensils was not extraordinary.

20. Berg: *Luxury and Pleasure*, p. 233; Weatherill: *Consumer Behaviour,* p. 27.

21. Weatherill: *Consumer Behaviour*, p. 14. On the development of the ideal of the 'gentleman merchant', see Wilson, R.G., *Gentlemen Merchants: The Merchant Community in Leeds, 1700–1830* (Manchester, 1971).

22. D'Angelo, Mirella, *Mercanti Inglesi a Malta* (Milan, 1990), p. 141. According to D'Angelo, out of an overall sum of 18,217 scudi, the furniture cost 5,075 scudi, the piano 390 scudi, a coach and three carts 1,216 scudi, 500 bottles of wine 500 scudi, various animals 947 scudi, saddles and utensils 415 scudi and various merchandise in his warehouse 9,680 scudi.

23. D'Angelo: *Mercanti Inglesi*, p. 139.

24. D'Angelo: *Mercanti Inglesi*, p. 139. Even the civil commissioner of Malta, Sir Hildebrand Oakes, put on sale various household possessions like glassware, porcelain dinner sets, silver forks and knives, wines and furniture before leaving the island.

25. SP 105/137, f. 256r–257r.

26. Eldem, Edhem, *French Trade in Istanbul in the Eighteenth Century* (Leiden, 1999); Svoronos, Nicos, *Le commerce de Salonique au 18eme siècle* (Paris, 1956), translated into Greek (Athens, 1996), pp. 220–8; Frangakis-Syrett, Elena, *The Commerce of Smyrna in the Eighteenth Century, 1700–1820* (Athens, 1992), pp. 191–210; Davis, Ralph, *Aleppo and Devonshire Square: English Traders in the Levant in the Eighteenth Century* (London, 1967), pp. 96–133.

27. *The Levant Company's Orders and By-laws* (London, 1800). Bylaw cxxi.

28. SP 105/127, f. 48r–50v, 1794. The first audience of John Spencer Smith cost the company 7,804 piastres in presents, mostly cloths and precious textiles. See SP 105/127, f. 51v–53v. For the *avanias* paid by European merchants to Ottoman high-rank officials, see also McGowen, Bruce, 'The age of the Ayans, 1699–1812', in I. Halil and D. Quataert (eds), *An Economic and Social History of the Ottoman Empire, 1600–1914,* vol. II (Cambridge, 2006, 6th ed.), p. 695.

29. Vlami: 'Entrepreneurship', pp. 137–45.

30. Faroqhi, Suraiya N., *Kultur und Alltagim osmanischen Reich* (Munich, 1995), translated into Greek by Katerina Papakonstandinou (Athens, 2000), pp. 198, 202.

31. Jack, Malcolm (ed.), *The Turkish Embassy Letters: Lady Mary Wortley Montague* (London, 2000), p. 69, letter xxx, Adrianople, 1 April 1717.

32. See Berg: *Luxury and Pleasure*, pp. 238–9, where she refers to an eighteenth-century receipt for the purchase of clothing, mentioning 32 different types of men's socks and women's stockings.

33. Weatherill: *Consumer Behaviour,* p. 6; Berg: *Luxury and Pleasure*, p. 226.

34. Berg, Maxine, 'Women's consumption in eighteenth-century England', *Journal of Social History* xxx (1996), pp. 422–4.

35. SP 105/137, f. 256r.

36. Franco Angiolini and Daniel Roche (eds), *Cultures et formations négociantes dans l'Europe moderne* (Paris, 1995), Berg: *Luxury and Pleasure*, p. 233.

37. Syson, Lydia, *Doctor of Love: James Graham and his Celestial Bed* (Richmond, 2008).

38. Weatherill: *Consumer Behavior*, pp. 163–5.

39. Vlami: 'Entrepreneurship', pp. 152–3.

Epilogue

1. SP 105/125, pp. 206–8, 2 May 1825, Jacob Bosanquet (London) to Lord Grenville (London).

2. SP 105/125, pp. 208–11, 19 May 1825, Jacob Bosanquet (London) to S.R. Lushington (London).

3. SP 105/125, pp. 218–21, 19 May 1825, George Liddell (London) to S.R. Lushington (London).

4. SP 105/125, pp. 211–17, 19 May 1825, George Liddell (London) to S.R, Lushington (London).

5. SP 105/125, pp. 198–9, 1 March 1825, George Liddell (London) to E. Hanson (Smyrna) and pp. 202–3; 1 March 1825, Circular addressed to the collectors at the outports.

6. SP 105/125, pp. 208–211, 19 May 1825, Jacob Bosanquet (London) to S.R. Lushington (London).

7. SP 105/125, pp. 222–5, 19 May 1825, the Levant Company (London) to John Cartwright (Constantinople). SP 105/125, pp. 225–8, 19 May 1825, the Levant Company (London) to Francis Werry (Smyrna). SP 105/125, pp. 228–30, 19 May 1825, the Levant Company (London) to John Barker (Aleppo) and Circular. SP 105/125, pp. 231–2, 19 May 1825, the Levant Company (London) to Henry Salt (Alexandria Egypt).

8. SP 105/125, pp. 233–4, 20 May 1825, George Liddell (London) to Joseph Planta (London).

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